C C LAND HOLDINGS LIMITED
中 渝 置 地 控 股 有 限 公 司*

(Incorporated in Bermuda with limited liability)
Website: www.ccland.com.hk
(Stock Code: 1224)

ANNOUNCEMENT OF INTERIM RESULTS FOR THE SIX MONTHS ENDED 30 JUNE 2008

The Board of Directors (the "Board") of C C Land Holdings Limited (the "Company") is pleased to announce the unaudited consolidated results of the Company and its subsidiaries (collectively the "Group") for the six months ended 30 June 2008 together with comparative figures for the corresponding period in 2007 as follows:

CONSOLIDATED INCOME STATEMENT

	Notes	Six months ended 30 June **2008** HK$'000 (Unaudited)	2007 HK$'000 (Unaudited)
REVENUE	3, 4	**479,831**	459,984
Cost of sales		**(444,242)**	(382,477)
Gross profit		**35,589**	77,507
Other income and gains	4	**225,017**	100,546
Selling and distribution costs		**(25,139)**	(11,838)
Administrative expenses		**(106,703)**	(47,867)
Other expenses		**(81,917)**	(26,170)
Finance costs		**(18,687)**	(8,278)
Share of losses of associates		**(2,098)**	(712)
Share of losses of jointly-controlled entities		**(8,361)**	(2,530)
PROFIT BEFORE TAX	5	**17,701**	80,658
Tax	6	**6,559**	495,160
PROFIT FOR THE PERIOD		**24,260**	575,818

* *For identification purposes only*

Attributable to:			
Equity holders of the parent		**39,620**	572,990
Minority interests		**(15,360)**	2,828
		24,260	575,818
EARNINGS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE PARENT	8		
Basic		**1.83HK cents**	31.74HK cents
Diluted		**1.82HK cents**	31.73HK cents

CONSOLIDATED BALANCE SHEET

	Notes	**30 June 2008 HK$'000 (Unaudited)**	31 December 2007 HK$'000 (Audited)
NON-CURRENT ASSETS			
Property, plant and equipment		**295,798**	284,911
Investment properties		**234,677**	197,250
Prepaid lease payments		**1,292,651**	25,061
Goodwill		**39,259**	39,259
Interests in jointly-controlled entities		**1,274,662**	894,452
Interests in associates		**34,234**	36,333
Convertible note receivable - loan portion		**33,134**	32,859
Available-for-sale equity investments		**227,624**	426,174
Properties under development		**8,762,528**	7,804,480
Interests in land use rights for property development		**820,516**	2,060,442
Pledged time deposits		**325,000**	611,572
Total non-current assets		**13,340,083**	12,412,793
CURRENT ASSETS			
Properties under development held for sale		**925,713**	710,300
Completed properties for sale		**267,925**	158,871
Land development rights		**296,803**	290,358
Prepaid lease payments		**29,693**	657
Inventories		**86,205**	82,437
Trade receivables	9	**130,219**	147,842
Prepayments, deposits and other receivables		**514,035**	294,789
Equity investments at fair value through profit or loss		**18,816**	34,022
Conversion option derivative		**88**	1,858
Tax recoverable		**24,123**	9,515
Deposits with brokerage companies		**13,506**	12,748
Pledged time deposits		**3,155**	135,542
Restricted bank balances		**11,587**	28,594
Cash and cash equivalents		**1,420,957**	1,947,116
Total current assets		**3,742,825**	3,854,649

	Notes	30 June 2008 HK$'000 (Unaudited)	31 December 2007 HK$'000 (Audited)
CURRENT LIABILITIES			
Trade and bills payables	10	**417,412**	471,613
Other payables and accruals		**801,841**	704,650
Loans from minority shareholders of subsidiaries		**50,065**	48,274
Interest-bearing bank and other borrowings		**890,557**	734,972
Tax payable		**23,689**	27,092
Due to a related party		**20,000**	19,970
Consideration payable on acquisition of subsidiaries		**8,100**	55,000
Consideration payable on acquisition of group of assets		**-**	542,372
Total current liabilities		**2,211,664**	2,603,943
NET CURRENT ASSETS		**1,531,161**	1,250,706
TOTAL ASSETS LESS CURRENT LIABILITIES		**14,871,244**	13,663,499
NON-CURRENT LIABILITIES			
Consideration payable on acquisition of a subsidiary		**-**	2,000
Interest-bearing bank and other borrowings		**1,616,010**	918,639
Deferred tax liabilities, net		**2,167,360**	2,088,558
Total non-current liabilities		**3,783,370**	3,009,197
Net assets		**11,087,874**	10,654,302
EQUITY			
Equity attributable to equity holders of the parent			
Issued capital		**216,736**	216,538
Reserves		**10,027,917**	9,521,430
Proposed dividend		**-**	108,315
		10,244,653	9,846,283
Minority interests		**843,221**	808,019
Total equity		**11,087,874**	10,654,302

Notes:

1. BASIS OF PREPARATION

The unaudited interim condensed consolidated financial statements of the Company and its subsidiaries (the "Group") for the six months ended 30 June 2008 have been prepared in accordance with Hong Kong Accounting Standard ("HKAS") 34 "Interim Financial Reporting" issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA") and the applicable disclosure requirements of Appendix 16 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Listing Rules").

The unaudited interim condensed consolidated financial statements do not include all the information and disclosures required in the annual financial statements, and should be read in conjunction with the Group's annual financial statements for the year ended 31 December 2007.

2. PRINCIPAL ACCOUNTING POLICIES

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

The accounting policies and methods of computation adopted in the preparation of these unaudited interim condensed consolidated financial statements are consistent with those used in the preparation of the Group's annual financial statements for the year ended 31 December 2007 and in accordance with Hong Kong Financial Reporting Standards ("HKFRSs") (which include all Hong Kong Financial Reporting Standards, HKASs, and Interpretations) issued by HKICPA, except that the Group has in the current period applied, for the first time, the following new HKFRS. The adoption of this new HKFRS has had no significant impact on the Group's unaudited interim condensed consolidated financial statements.

HK(IFRIC)-Int 11	HKFRS 2 - Group and Treasury Share Transactions

The Group has not applied the following new and revised HKFRSs that have been issued but are not yet effective, in the unaudited interim condensed consolidated financial statements.

HKFRS 2 Amendments	Share-based Payment – Vesting Conditions and Cancellations [1]
HKFRS 3 (Revised)	Business Combinations [3]
HKFRS 8	Operating Segments [1]
HKAS 1 (Revised)	Presentation of Financial Statements [1]
HKAS 23 (Revised)	Borrowing Costs [1]
HKAS 27 (Revised)	Consolidated and Separate Financial Statements [3]
HKAS 32 and HKAS 1 Amendments	Puttable Financial Instruments and Obligations Arising on Liquidation [1]
HK(IFRIC)-Int 13	Customer Loyalty Programmes [2]

[1] Effective for annual periods beginning on or after 1 January 2009
[2] Effective for annual periods beginning on or after 1 July 2008
[3] Effective for annual periods beginning on or after 1 July 2009

The Group expects that while the adoption of the HKAS 1 and HKFRS 8 may result in new or amended disclosures, these new/revised HKFRSs will not have any significant impact on the Group's financial statements in the period of initial application.

3. SEGMENT INFORMATION

The Group's operating businesses are structured and managed separately according to the nature of their operations and the products and services they provide. Each of the Group's business segments represents a strategic business unit that offers products and services which are subject to risks and returns that are different from those of the other business segments. Summary details of the business segments are as follows:

Sales of packaging products segment	–	Manufacture and trading of watch boxes, gift boxes, spectacles cases, bags and pouches, and display units
Sales of travel bags segment	–	Manufacture and trading of soft luggages, travel bags, backpacks and brief cases
Treasury investment segment	–	Investments in securities and convertible notes, and provision of financial services
Property development and investment segment	–	Development and investment of properties located in Mainland China

Business segments

The following tables present revenue and profit information regarding the Group's business segments for the six months ended 30 June 2008 and 2007.

For the six months ended 30 June 2008 – unaudited

	Sale of packaging products HK$'000	**Sale of travel bags HK$'000**	**Treasury investment HK$'000**	**Property development and investment HK$'000**	**Total HK$'000**
Segment revenue :					
Sales to external customers	**205,831**	**116,746**	**356**	**156,898**	**479,831**
Segment results	**11,297**	**(11,329)**	**(4,093)**	**93,376**	**89,251**
Unallocated corporate expenses					**(89,963)**
Unallocated corporate income					**47,559**
Share of losses of :					
Associates					**(2,098)**
Jointly-controlled entities				**(8,361)**	**(8,361)**
Finance costs					**(18,687)**
Profit before tax					**17,701**
Tax					**6,559**
Profit for the period					**24,260**

For the six months ended 30 June 2007 – unaudited

	Sale of packaging products HK$'000	Sale of travel bags HK$'000	Treasury investment HK$'000	Property development and investment HK$'000	Total HK$'000
Segment revenue :					
Sales to external customers	188,345	254,258	7,258	10,123	459,984
Segment results	17,169	12,159	29,206	59,414	117,948
Unallocated corporate expenses					(35,706)
Unallocated corporate income					9,936
Share of losses of :					
Associates					(712)
A jointly-controlled entity				(2,530)	(2,530)
Finance costs					(8,278)
Profit before tax					80,658
Tax					495,160
Profit for the period					575,818

Geographical segments

The following table provides an analysis of the Group's revenue by geographical segments based on the location of customers, irrespective of the origin of the goods:

	Six months ended 30 June	
	2008	2007
	HK$'000	HK$'000
	(Unaudited)	(Unaudited)
PRC	**165,965**	24,111
Europe	**114,136**	96,057
North and South America	**102,101**	245,077
Hong Kong	**73,378**	67,083
Others	**24,251**	27,656
	479,831	459,984

4. REVENUE, OTHER INCOME AND GAINS

An analysis of the Group's revenue, other income and gains is as follows:

	Six months ended 30 June	
	2008	2007
	HK$'000	HK$'000
	(Unaudited)	(Unaudited)
Revenue		
Sale of goods	**322,577**	442,603
Sale of properties	**150,753**	1,112
Gross rental income	**5,946**	7,205
Gain/(loss) on disposal of listed equity investments at fair value through profit or loss	**(1,089)**	5,259
Dividend income from listed investments	**619**	1,529
Dividend income from unlisted investments	**-**	680
Imputed interest income from convertible note receivable	**1,025**	1,596
	479,831	459,984
Other income and gains		
Interest income on bank deposits	**16,776**	14,232
Other interest income	**5,944**	-
Fair value gains on investments at fair value through profit or loss, net	**-**	11,421
Fair value gains on conversion option derivative	**-**	1,951
Gain on partial disposal of interest in a subsidiary	**138,392**	-
Gain on disposal of items of property, plant and equipment	**131**	81
Gain on disposal of investment properties	**1,966**	-
Write-back of impairment of trade receivables	**1,687**	1,858
Write-back of impairment of other receivables	**31,688**	50,866
Fair value gains on investment properties	**25,872**	16,531
Others	**2,561**	3,606
	225,017	100,546

5. PROFIT BEFORE TAX

The Group's profit before tax is arrived at after charging:

	Six months ended 30 June	
	2008	2007
	HK$'000	HK$'000
	(Unaudited)	(Unaudited)
Cost of inventories sold	**185,366**	292,395
Cost of properties sold	**150,860**	1,514
Depreciation	**10,333**	7,689
Impairment of goodwill	**-**	587
Amortisation of prepaid lease payments	**14,845**	235
Employee benefits expense (including directors' remuneration):		
- Salaries, wages and pensions	**38,161**	19,573
- Equity settled option expense	**32,470**	24,501
- Net retirement benefit scheme contributions	**1,422**	669
	72,053	44,743

6. TAX

Hong Kong profits tax has been provided at the rate of 16.5% (2007: 17.5%) on the estimated assessable profits arising in Hong Kong during the period. Taxes on profits assessable in Mainland China have been calculated at the rates of tax prevailing in Mainland China, based on existing legislation, interpretations and practices in respect thereof.

	Six months ended 30 June	
	2008	2007
	HK$'000	HK$'000
	(Unaudited)	(Unaudited)
Group:		
Current		
Charge for the year		
Hong Kong	**682**	6,950
Under/(over) provision in prior years		
Hong Kong	**198**	(1,480)
Mainland China	**(3,877)**	-
	(3,679)	(1,480)
Deferred tax	**(3,562)**	(500,630)
	(6,559)	(495,160)

7. DIVIDEND

During the six months ended 30 June 2008, a final dividend of HK$0.05 per share for 2007, amounting to approximately HK$108,315,000 (2007: HK$0.05 per share for 2006, amounting to approximately HK$90,269,000) was declared and paid to the shareholders. The directors do not recommend the payment of any interim dividend for the six months ended 30 June 2008 (2007: Nil).

8. EARNINGS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE PARENT

The calculation of the basic earnings per share for the six months ended 30 June 2008 is based on the unaudited consolidated net profit from ordinary activities attributable to equity holders of the parent of HK$39,620,000 (2007: HK$572,990,000) and the weighted average of 2,166,589,950 (2007: 1,805,382,258) ordinary shares in issue during the period.

The calculation of diluted earnings per share amounts is based on the profit for the six months ended 30 June 2008 attributable to ordinary equity holders of the parent. The weighted average number of ordinary shares used in the calculation is the total of the number of ordinary shares in issue during the period of 2,166,589,950 (2007: 1,805,382,258), as used in the basic earnings per share calculation, and the weighted average number of ordinary shares assumed to have been issued at no consideration of 10,614,048 (2007: 729,145) on the deemed exercise of all dilutive potential ordinary shares into ordinary shares.

9. TRADE RECEIVABLES

The Group's trading terms with its customers of manufacturing business are mainly on credit, except for new customers, where payment in advance is normally required. The credit period is generally 60 days. Each customer has a maximum credit limit. The Group seeks to maintain strict control over its outstanding receivables and has a credit control department to minimise credit risk. Overdue balances are reviewed regularly by senior management. No credit terms are granted to the customers of the Group's property development and investment business. In view of the aforementioned and the fact that the Group's trade receivables relate to a large number of diversified customers, there is no significant concentration of credit risk. Trade receivables are non-interest-bearing.

An aged analysis of the trade receivables as at the balance sheet date, based on the due date and net of provisions, is as follows:

	30 June 2008			31 December 2007		
	Neither past due nor impaired HK$'000 (Unaudited)	**Past due but not impaired HK$'000 (Unaudited)**	**Total HK$'000 (Unaudited)**	Neither past due nor impaired HK$'000 (Audited)	Past due but not impaired HK$'000 (Audited)	Total HK$'000 (Audited)
Less than 1 month	**100,764**	**11,704**	**112,468**	107,052	21,995	129,047
1 to 2 months	**-**	**5,186**	**5,186**	-	6,360	6,360
2 to 3 months	**-**	**4,506**	**4,506**	-	3,809	3,809
Over 3 months	**-**	**8,059**	**8,059**	-	8,626	8,626
	100,764	**29,455**	**130,219**	107,052	40,790	147,842

10. TRADE AND BILLS PAYABLES

An aged analysis of the trade and bills payables as at the balance sheet date is as follows:

	30 June 2008 HK$'000 (Unaudited)	31 December 2007 HK$'000 (Audited)
Within 1 month	**178,171**	131,220
1 to 2 months	**17,098**	36,704
2 to 3 months	**8,408**	277,464
Over 3 months	**213,735**	26,225
	417,412	471,613

The trade and bills payables are non-interest-bearing and are normally settled on 60-day terms for manufacturing business and no credit terms for the property development and investment business.

INTERIM DIVIDEND

The directors do not recommend the payment of any interim dividend for the six months ended 30 June 2008 (six months ended 30 June 2007: Nil).

MANAGEMENT DISCUSSION AND ANALYSIS

BUSINESS REVIEW

The principal activities of the Group are PRC property development and investment, manufacture and sale of packaging products and soft luggage, and treasury investments. During the period under review, revenue for the Group increased by 4.3% to HK$479.8 million (six months ended 30 June 2007: HK$460.0 million). The profit attributable to equity holders attained during the period amounted to HK$39.6 million (six months ended 30 June 2007: HK$573.0 million which was mainly attributable to recording a tax credit of HK$506.3 million in respect of deferred tax liabilities, due to the reduction of the corporate income tax rate applicable to the Group's subsidiaries in China from 33% to 25% effective 1 January 2008). The current period's operating expenses included non-recurring expenses arising from an equity-settled share option expense amounting to HK$35.4 million (six months ended 30 June 2007: HK$24.5 million) in respect of share options granted to certain directors, eligible employees of the Group and those who had contributed to the Group, exchange losses of HK$39.0 million (six months ended 30 June 2007: Nil) due to the Renminbi appreciation in the conversion of Hong Kong dollars/US dollars registered capital into RMB working capital for the Group's project companies, and expenses of HK$2.9 million (attributable amount to the Group: HK$1.7 million) in connection with the closure of a manufacturing facility. Excluding these non-recurrent and non-operational expenses, the profit attributable to equity holders for the period would have been HK$115.7 million.

During the period, the Group focused on developing its property projects, and currently has a total of 13 projects in various stages of development. The total property sales of the Group recognised in the period was HK$150.8 million (six months ended 30 June 2007: HK$1.1 million) with a total GFA of about 47,500 sqm.

The revenues of the packaging business, luggage business and treasury investment business are HK$205.8 million, HK$116.7 million and HK$0.4 million respectively.

Other incomes recorded a gain of a total of HK$197.6 million (six months ended 30 June 2007: HK$69.3 million) from the gain on disposal of partial interest in a subsidiary, recovery of receivables and fair value gains on investment properties.

The surge in oil prices has already fed into other commodities and raw materials. The prices of the manufacturing business's major raw materials sustained a rapid rise throughout the current six months period. These cost increases could not be fully absorbed through raising sales prices due to stiff market conditions. Consequently, gross profit margins suffered during the period. The manufacturing business segment sustained a loss amounting to HK$4.0 million (six months ended 30 June 2007: a profit of HK$22.6 million). The treasury investment business reported a loss of HK$3.4 million (six months ended 30 June 2007: a profit of HK$19.2 million).

The increases in marketing and distribution costs, administrative expenses and finance costs are attributable to the expansion of the property business and increase in the number of projects under development during the first half of 2008.

Earnings per share for the period was 1.83 HK cents (six months ended 30 June 2007: 31.74 HK cents) and diluted earnings per share was 1.82 HK cents (six months ended 30 June 2007: 31.73 HK cents).

PRC PROPERTY DEVELOPMENT AND INVESTMENT BUSINESS

The profit of the PRC property development and investment business for the six months period ended 30 June 2008 was HK$66.8 million (six months ended 30 June 2007: HK$560.7 million).

Despite the volatility of the global economy due to the US subprime mortgage crisis and the adoption of a series of macro-economic control policies by the Central Government, China's economy was able to achieve a steady growth. The central bank also raised the banks' reserve requirement ratio to try to mop up excess liquidity. On the other hand, interest rates have been kept relatively low to boost growth and employment. The policies of the Central Government are designed to prevent over-heating of the economy, and maintaining a healthy level of development in the real estate market.

As announced by the National Bureau of Statistics of China, the preliminary estimated GDP of China in the first half of 2008 was RMB13,061.9 billion, an year-on-year increase of 10.4% (after deducting price factors), which was 1.8 percentage points lower than the same period last year. This demonstrated the Central Government's success in bringing the growth rate of the Chinese economy to the right track. The Group believes that the implementation of such macro-control policies is necessary and effective for the continuous development of a healthy property market in China in the long run.

The Group continues its strategy to focus on its property business in Western China. The Central Government's "Go West" policy is aimed at stimulating the economic growth in Western China which, we believe, is one of the fastest growing regions in China. The recent Sichuan earthquake has affected market sentiments. On 30 June 2008, the State Council issued a document (No.21) unveiling supportive measures for Sichuan's recovery from the earthquake. The supportive measures include lower down payment ratio, lower mortgage rate and tax deduction for home-buyers in the quake-affected areas. The earthquake has also alarmed the public regarding building safety and quality, thereby prompting the desire to upgrade to newer and safer homes. Given these factors, the Group believes the Sichuan property market will recover in the near term.

The July China Daily quoted that the Sichuan provincial authorities will begin construction in 2008 on three new rail lines - two intercity services between Chengdu and Dujiangyan, and Mianyang and Leshan (via Chengdu), and a long distance line between Chengdu and Lanzhou. Policies also will be carried out to help resettle earthquake-hit residents from rural areas to cities, and create more employment in urban areas to facilitate the relocation.

Furthermore, the GDP of Chongqing and Chengdu in the first half of 2008 increased by 15.2% and 11.2% respectively, much higher than the nation's average. A middle class is rapidly growing with money to spare on housing. The encouraging GDP growth and the increase in the household disposable income are providing the driving force for the growth in the property market of Chongqing and Chengdu. A concerted national effort is being made to make sure that the Sichuan Province recovers speedily from the devastating earthquake. The Directors believe the property market in Chongqing and Sichuan will continue to flourish in the coming years.

Land Bank

As at 30 June 2008, the Group owns approximately 12.4 million sqm. (attributable interests of about 9.0 million sqm.) of quality land bank in Chongqing, Chengdu, the Sichuan Province, and Kunming. The Group won a competitive bid during the period for a site with a total GFA of 866,666 sqm. in Tongnanxian, Chongqing, at a total consideration of RMB156 million with an average price of RMB180/sqm. The site will be developed into residential property with a GFA of 780,000 sqm. and commercial property with a GFA of 86,666 sqm. approximately. This has increased the Group's total land bank reserves to a GFA of about 12.4 million sqm. (attributable GFA amounts to 9.0 million sqm.). This additional lot enables the Group to maintain a reasonably sized and well-priced land bank for sustained growth and reap the benefits of the medium and long term positive contributions of the property sectors in these territories.

The Group will exercise great caution in acquiring land banks with attractive upside development potential through the normal channels. The Group also sees great opportunity through merger or acquisition of target property development companies which may need fresh capital to relieve their tight cash flow positions.

As of 30 June 2008, the Group's total land bank stood at 12,605,719 sqm. The Group's land bank comprises a well-diversified portfolio of properties. The breakdown by usage is as follows:

Usage	**Completed Properties held for Investment GFA (sqm.)**	**Properties held for Own Use GFA (sqm.)**	**Completed Properties held for Sale GFA (sqm.)**	**Land held for Development GFA (sqm.)**		**Total GFA (sqm.)**
				Total	**Attributable**	
Commercial	28,286	9,128	4,861	1,002,728	813,691	1,045,003
Residential	3,866		54,585	9,530,528	6,741,055	9,588,979
Office				368,201	353,201	368,201
Hotel & serviced apartment				267,968	178,692	267,968
Townhouse & villa				264,556	160,110	264,556
Others (Car-park spaces and other auxiliary facilities)	41,514	13,842	19,469	996,187	718,302	1,071,012
Total	**73,666**	**22,970**	**78,915**	**12,430,168**	**8,965,051**	**12,605,719**

The breakdown of the land bank for development by location is as follows:

Location	**Total GFA (sqm.)**	**Attributable GFA (sqm.)**	**Percentage**
Chongqing	7,748,042	6,094,420	62.4%
Sichuan			
- Chengdu	3,255,284	1,880,744	26.2%
- Pengshan	1,000,005	600,003	8.0%
- Dazhou	364,390	346,171	2.9%
Yunnan			
- Kunming	62,447	43,713	0.5%
Total	**12,430,168**	**8,965,051**	**100.0%**

Property Development

<u>Chongqing Projects</u>

California One (加州壹號) – The project comprises of apartments, an office block and car-parks with a total GFA of about 52,000 sqm. All units were sold, and will be delivered this year.

No. 1 Peak Road (山頂道壹號) – The project comprises of 692 high-end residential units with a total GFA of about 82,800 sqm. and car-park spaces of about 20,600 sqm. Construction has largely been completed and the project is currently launched for pre-sale and will be delivered this year.

Verakin New Park City (同景國際城) – A high-end multi-phased residential and commercial project with a total GFA of about 1.6 million sqm. of which the Group has a 51% interest. Zone B with a GFA of 77,322 sqm. was completed during the period. Construction for Zones G, H and I is ongoing. Zone G will provide 145,823 sqm. of residential and commercial property. As at 30 June 2008, a total GFA of about 45,700 sqm. was pre-sold. The second phase of the pre-sales of Zone G will commence in the third quarter of 2008. Zone H comprises 25,845 sqm. of town-house project. We expect to launch the pre-sale of these town-houses in the fourth quarter of 2008. Zone I comprises 150,195 sqm. of residential property. Pre-sales of these units is expected to commence in early March 2009. Zones G and H are expected to be completed in the second half of 2009, and Zone I, in early 2010.

The Mansions on the Peak (御府) – Construction work has started. The development provides around 46 villas with a total GFA of 52,020 sqm. By virtue of its location and quality, these villas will be the gem of residential products in the city centre of Chongqing, and are expected to be completed in early 2010.

Lot # 15, 16 & 17-1 – The development would provide a planned GFA of 537,312 sqm. made up of residential and commercial units, and serviced apartments. The design plan has to be revised to comply with the government's request to lower the heights of several buildings adjacent to the villa project. Construction work is expected to commence by the end of 2008.

Lot # 10-1 – A landmark development in our Yubei main land bank that provides a planned GFA of approximately 350,000 sqm., comprising an investment-grade shopping mall, a 5-star hotel with an associated serviced apartment block, several office towers, residential units and retail spaces. The master plan has been approved by the local authority. Construction is expected to commence in the fourth quarter of 2008. The first phase of the project is expected to be completed by 2010.

i-City (愛都會) – A three phased development project near the new Yubei train terminal which provides a GFA of 242,448 sqm. of mixed residential and commercial property. Construction of the first phase is in progress. Pre-sales will start by the end of the year. The first phase of the project is expected to be completed in 2010.

Phoenix County (梧桐郡) – A residential high-end townhouse project near the new Yubei train terminal with a total GFA of 338,806 sqm. The construction for the first phase of GFA 95,222 sqm. will start in early 2009 and is expected to be completed in 2010.

Wanzhou Riverside (瑞昌 • 濱江壹號) – Located in the Jiangnan New District in the Wanzhou District, the project will be developed into an integrated complex, consisting of commercial facilities, an office building and high-end residential property. Construction for the first phase of residential property with a GFA of approximately 50,000 sqm. will start in late 2008 and is expected to be completed in early 2010.

Jiangbei Project – A joint venture project with 25% interests along the north bank of the city center section of the Jialing River with a total GFA of about 1,240,000 sqm. to be developed into a high-end residential/commercial complex. Preliminary plans for the first phase with a GFA of about 180,000 sqm. have been submitted to the relevant government authority for approval. Construction of the first phase is expected to start at the end of 2008.

Chengdu Projects

Sky Villa (四海逸家) – A residential project located in the Jinjiang District with a total GFA of around 413,273 sqm. Construction of the first three towers is in progress. The project is currently launched for pre-sales.

Wen Jiang – A suburban high-end project in Chengdu with a total GFA of 555,000 sqm. for the development of villas, townhouses, and low-rise apartment blocks. Construction work for Phase I will commence by the end of 2008.

Kunming Project

Silver Lining (雲都國際) – The project in Kunming has a total GFA of 62,447 sqm., comprising residential, serviced apartments and commercial property, and construction is expected to commence in late 2008. The expected completion date is in 2010.

As of 30 June 2008, details of the projects held for development are as follows:

Locations/Project Names	Expected Completion Date	GFA (sqm.)	The Group's Interests
Chongqing, Yubei District			
- California One	2008	52,000	100.0%
- Phoenix County	2010 or after	338,806	100.0%
- i-City	2010 or after	242,448	100.0%
- 15,16,17-1	2008 - 2012	969,020	100.0%
- 10-1	2011 or after	349,962	100.0%
- 9	2011 or after	364,433	100.0%
- 6-1	2011 or after	84,747	100.0%
- 19	2011 or after	382,770	100.0%
- 4	2011 or after	596,374	100.0%
- 3-1	2011 or after	301,288	100.0%
- Others	2011 or after	131,613	100.0%
Chongqing, Jiangbei District			
- Huaxin Street, Jie Dao Qiao Bei Village, No.1 Zhongxin Section	2011 or after	1,240,000	25.0%
Chongqing, Nan'an District			
- Verakin New Park City	2009-2016	1,476,781	51.0%
Chongqing, Wanzhou District			
- Wanzhou Riverside	2010 or after	351,134	100.0%
Chongqing, Tongnanxian	2011 or after	866,666	100.0%
Chengdu, Dujiangyan District	2011 or after	61,000	100.0%
Chengdu, Jintang County	2011 or after	2,226,011	60.0%
Chengdu, Jinjiang District			
- Sky Villa	2010 or after	413,273	50.0%
Chengdu, Wen Jiang	2010 or after	555,000	50.0%
Meishan, Pengshan County			
- Binjiang New Town	2011 or after	1,000,005	60.0%
Sichuan, Dazhou, Tongchuan District	2011 or after	364,390	95.0%
Kunming, Silver Lining	2010 or after	62,447	70.0%
Total		12,430,168	

In the period under review, the Zone B of Verakin New Park City is completed with a GFA of 77,322 sqm. The total GFA of the Group expected to be completed in the second half of 2008, in 2009 and the first half of 2010 are approximately 152,000 sqm. and 165,000 sqm. and 500,000 sqm. respectively.

During the period, the Group had pre-sold a total of approximately 51,200 sqm. GFA of residential and commercial properties, which has generated sales of RMB 227.4 million. The recognition of these sales will depend on completion of construction, the issue of occupation permits and delivery to the new owners.

The breakdown for the contracted sales in the first half of 2008 is as follows:

Project	Approximate Contracted Sales Area (sqm.)	Approximate Contracted Sales Revenue (RMB'000)	Approximate Contracted Average Selling Price (RMB/sqm.)
No. 1 Peak Road	3,150	16,900	5,365
California One	2,400	7,500	3,125
Verakin New Park City	45,650	203,000	4,447
Total	51,200	227,400	4,441

Investment Property

The Group will continue to retain premium properties with excellent potential for capital appreciation as long term investments. The portfolio will generate stable recurrent income and cash flow to achieve a better balance in revenue and stability in income streams.

Completed Investment Properties

The total book value of the Group's investment properties amounted to HK$234.7 million as at 30 June 2008, comprising an aggregate GFA of 73,666 sqm. The portfolio comprises properties of diversified usage: Commercial (38.4%), Residential (5.2%) and Car-park spaces (56.4%). The prime locations of the Group's investment properties are responsible for the high overall occupancy rate at over 75%. Rental income during the period amounted to HK$5.9 million (30 June 2007: HK$7.2 million). According to an appraisal conducted by an independent valuer, the investment properties contributed a revaluation gain of HK$25.9 million during the period under review. The revaluation gain confirms the property price in Chongqing is in the upward trend.

A summary breakdown of the investment properties is shown below:

Property Location	Usage	Attributable GFA (sqm.)	Occupancy Rate	The Group's Interest
California Garden, Longxi Town, Yubei District, Chongqing, PRC	Commercial	22,060	52.1%	100%
	Residential	3,866	13.8%	100%
	Car Park	15,646	100.0%	100%
California City Garden, Longxi Town, Yubei District, Chongqing, PRC	Commercial	4,685	81.2%	100%
	Car Park	12,094	100.0%	100%
Kechuang Building, Longxi Town, Yubei District, Chongqing, PRC	Car Park	2,823	100.0%	100%
Huijingtai, Longxi Town, Yubei District, Chongqing, PRC	Commercial	1,541	6.5%	100%
	Car Park	10,951	100.0%	100%
Total		73,666		

Investment Properties under Development

With the recently awarded Special Economic Zone status for Chongqing and Chengdu, which translates into massive Central Government's spending in Chongqing's infrastructures, preferential tax policies, and other supportive measures, we expect many large overseas corporations to be attracted to the region. A new Third New District is expected to be created in the Chongqing's New North Zone in the vicinity of the Group's main landbank. This district will enjoy the same privileges which have been accorded to Pudong of Shanghai, and the Binhai District of Tianjin. The property leasing market thus looks extremely promising. Careful studies will be performed by the Group in order to maintain a balanced portfolio of properties developed for sale and held for investments.

In the 11th Five Year Plan, the Chongqing Municipal Government encourages intensive development in urban areas, and the northern part of Chongqing is the ideal site for the new city centre. Being the "North Window" of Chongqing, the Yubei District is strategically important in the whole development blueprint of Chongqing. The Group's core land bank in the Yubei District is situated right at the heart of the Yubei District of Chongqing, a district where the regional government administration offices, major highway junctions and a new rail transportation hub are located. The land bank has been earmarked for development as separate but interlinked projects, consisting of hotels, commercial and residential complexes. In view of the prime location of these projects, the Group intends to keep the trophy commercial properties for rental purposes and is expected to build up the investment property portfolio in the coming four years. Once completed, this portfolio will form a solid base of recurrent rental income and cash flow for the Group.

SOCIAL RESPONSIBILITY

Being one of the leading property developers in the Western part of China, the Group has the responsibility of providing supports and assistance to the victims of Sichuan Earthquake. The Group has made a total donation of HK$7.1 million for quake relief purposes, out of which, HK$5.6 million was for the rebuilding of two primary schools, one each in Chongqing and Sichuan.

MANUFACTURING BUSINESS

The financial year 2008 is challenging for our manufacturing business. The sub-prime mortgage crisis together with the escalating fuel costs have dampened consumer spending. The strengthening Renminbi, surging material and labour costs, and stringent China labour law requirements, have put pressure on the profitability of the manufacturing business, while market competition remained stiff. Customers are slow to accept price increases although they realize that this is inevitable for all manufacturing businesses to survive.

Despite these challenges, the packaging business reported a revenue of HK$205.8 million, representing a growth of HK$17.5 million or 9.3% over the six months period ended 30 June 2007. The revenue from the luggage business declined by 54.1% to HK$116.7 million due to underperformance in the US market. Segmental contribution to the Group for the packaging and luggage business amounted to a profit of HK$9.9 million and a loss of HK$12.2 million respectively.

Packaging Business

Turnover from the packaging business was approximately HK$205.8 million for the six months ended 30 June 2008, representing an increase of approximately 9.3% as compared to the same period last year. Despite intense market competition and rising operating costs, the Group continued to maintain modest growth mainly attributable to a strong growth in export sales to Europe. However, the packaging business had been adversely affected by the spikes in material prices at an unusual fast pace. Coupled with the stringent China labour laws coming into effect in the period, the sudden surge in material costs had significantly affected the profitability of the packaging business. The profit for the six months period ended 30 June 2008 was HK$9.9 million, a decrease of 45.3% from the same period last year.

Luggage Business

A loss of HK$12.2 million was recorded for the six months ended 30 June 2008 compared to last year's net profit of HK$5.9 million. The loss had included expenses amounting to HK$2.9 million which were not recurrent in nature relating to the closure of the production facility in Dongguan.

A weaker than expected sales to US customers had resulted in the revenue declining by 54.1% to HK$116.7 million. It was caused by an existing customer reducing its order maximum limit with each of its suppliers due to a change in its internal policy. Optimistic sales projections also led to higher overheads and operating costs, resulting in operational inefficiency which further impacted profitability.

The Management moved swiftly to identify and address the problems, so that the situation was successfully brought under control. A comprehensive improvement programme was put in place to modify the production processes, raising productivity and tighten cost control. The Group has also decided to centralize its manufacturing plant in Suzhou which ultimately reduces operating costs and overheads to bring them in line with the level of sales. The Dongguan plant was closed down in the third quarter of 2008.

The luggage business will continue to focus on developing new customer sources. Greater emphasis will be put on product development. Subsequent to the ratification measures, we expect the profitability of the luggage business to return in the fourth quarter of 2008. It is expected that the turnover will revert to a growth pattern in the financial year 2009.

Other Business

The share of loss from the 30% owned associated company, Technical International Holdings Limited, amounted to HK$2.1 million (six months ended 30 June 2007: HK$0.7 million). This is acceptable due to the seasonal fluctuations in the trading nature of its business, which historically attains higher turnovers and profits in the second half year.

TREASURY INVESTMENT BUSINESS

The Group's treasury investment segment recorded a loss for the period of HK$3.4 million (six months ended 30 June 2007: profit of HK$19.2 million) representing unrealized losses triggered by the global downturn of the capital markets. The investment policy remains conservative and the positive return should prevail in the medium term.

PROSPECTS

PRC Property Development and Investment Business

Despite the struggling global economy, China's economy was able to achieve steady growth. The economic outlook of China in 2008 is expected to remain optimistic under the sustainable growth. In the first half of 2008, the per capita disposable income of urban residents achieved a year-on-year growth of 14.4%, or a real growth of 6.3% after deducting price factors. The cash income of rural residents is up by 19.8%, representing a real growth of 10.3%. We believe the steady economic growth would stimulate the demand for residential and commercial properties in medium and long term.

We are confident of the long-term growth and strength of the property market. The low base numbers, the huge genuine housing demand and the relatively low level of speculation in Western China mean a lower risk for the developers in the region. The increased urbanization rate is also a strong positive factor. These are the reasons for the relatively stable property prices in the property market in these regions.

To ensure that all projects are developed to the highest standards, the Group has taken on a team of highly qualified and experienced project managers especially in the sector of commercial and retail development projects to strengthen the corporate infrastructure, and has spared no efforts in enlisting the services of internationally renowned architects, town planners and designers. The sales and marketing teams have also been expanded to meet the demands in both Chongqing and Chengdu.

Manufacturing Business

Because of the credit and the subprime mortgage crisis, the US and many European economies have slowed. It is still uncertain whether inflation which impacts on consumer spending is on the march again. The recent jump in both Europe and the US is largely confined to the surging prices of oil and food. Excluding these costs, the core rates of inflation are little higher than a year ago. The rise in inflation may be temporary if commodity prices could be stabilized. Its risk may also be tempered by the slowdown already affecting the US and the European economies.

Apart from the above, the Group also faces potential challenges from rising material and labour costs, and the rise in the RMB against the Hong Kong dollars, which increase our production and operating costs.

To mitigate the effects of these challenges, the Group has taken actions to better position us to rationalize our marketing strategy and to further strengthen control on production cost. Measures and restructuring plans were carried out with the goal of maximizing productivity and efficiency of the manufacturing business.

The Group will continue to enhance its strategic partnership with existing customers through strong design support and product development which will offer the Group new revenue and profit growth. Simultaneously, we are continuously exploring new potential customers who appreciate our quality products.

The Group expects the momentum for the packaging business to continue in the financial year 2008. However, it may be affected if a further slowdown in the overseas economies occurs, where customers will be unwilling to commit to large orders or long term contract. The packaging business will have to pass cost increases onto customers to rebuild margins by raising prices. Product ranges will be expanded to provide a platform for our future growth.

The luggage industry is still in an uptrend. However, the luggage business has to compete with low-cost producers, and is made tougher by a strong RMB currency. In order to minimize the impact from fierce price competition and the emergence of new players who launch low-end products at aggressive prices, the Group is taking an active role to source and negotiate with suppliers and subcontractors for a system which can stabilize the Group’s performance. The luggage business will work to maintain margins through strict cost control and work closely with material suppliers. The luggage business is also prepared to produce higher-end products to capture the opportunities in the upper market segment and to earn higher gross margin. The Group will strive to re-establish its competitive edge, with concerted effort from its manufacturing and network, complemented by its own extensive experience in the industry.

FINANCIAL REVIEW

Investments

At 30 June 2008, the Group held a portfolio of listed securities with a market value of HK$18.8 million (31 December 2007: HK$34.0 million) and a convertible note of HK$33.2 million (31 December 2007: HK$34.7 million) issued by a company listed on The Stock Exchange of Hong Kong Limited. The amount of dividends, interest and other income from investments for the period was HK$1.6 million (six months ended 30 June 2007: HK$5.8 million). The unrealized holding loss on listed securities reflected in the current period amounted to HK$2.5 million (six months ended 30 June 2007: unrealized holding gain of HK$11.4 million). The Group's PRC subsidiary has investments in equity securities held for long term purpose amounting to HK$227.6 million. (31 December 2007: HK$426.2 million).

Borrowings and Financial Leverage

Of the Group's total borrowings as at 30 June 2008, HK$890.6 million (representing approximately 35.5%) was repayable within one year, HK$458.4 million (representing approximately 18.3%) was repayable between one to two years and HK$1,157.6 million (representing approximately 46.2%) was repayable between two to five years. Secured debt accounted for approximately 45.7% of total borrowings as at 30 June 2008.

As of 30 June 2008, the net gearing ratio for the Group was 7.3% based on net borrowings of HK$745.9 million and shareholders' equity of HK$10,244.7 million.

Total foreign currency borrowings (excluding RMB borrowings) amounted to the equivalent of HK$27.4 million and RMB borrowings amounted to the equivalent of HK$1,144.8 million. Foreign exchange exposure for the Group is relatively small compared to its total asset base.

Taking into account the financial resources available to the Group, the Group had total undrawn bank loan facilities of HK$654 million and cash on hand of HK$1,760.7 million as at 30 June 2008.

Contingent Liabilities

At 30 June 2008, the Group had the following contingent liabilities:

a. Guarantees given to banks in connection with facilities granted to an associate in the amount of HK$13.5 million. (31 December 2007: HK$13.5 million).

b. Guarantees given to banks in respect of mortgage facilities granted to certain purchasers of the Group's property units in the amount of HK$288.1 million (31 December 2007: HK$231.5 million).

Pledge of Assets

At 30 June 2008, the Group has pledged the followings:

a.	Leasehold properties as security for general banking facilities granted to the Group.	HK$6.0 million
b.	Fixed deposits as security for general banking facilities granted to the Group.	HK$328.2 million
c.	Properties under development, prepaid lease payments and investment properties pledged to secure banking facilities granted to the Group and a related company of the Group's former joint venture partner.	RMB3,320.1 million

Exchange Risks

Sales and purchase transactions of the Group's manufacturing business are primarily conducted in US dollars, Hong Kong dollars and/or RMB, while transactions for the property business are dominated in RMB. The exposure to foreign exchange risk is minimal.

Post Balance Sheet Event

On 10 July 2008, options to subscribe for a total of 17.62 million shares with an exercise price of HK$5.27 per share were offered to replace options granted to certain directors, eligible employees of the Group and those who had contributed to the Group during the period from August 2007 to March 2008 at exercise prices ranging from HK$7.02 to HK$15.34 per share.

EMPLOYEES

At 30 June 2008, the Group had approximately 6,574 employees. The Group remunerates its staff based on their merit, qualification and competence. The Group has also established an incentive bonus scheme, in which the benefits are determined based on the performance of individual employees. Employees are eligible to be granted share options under the Company's share option scheme at the discretion of the Board of Directors. Other benefits include contribution to a provident fund scheme or mandatory provident fund, and medical insurance.

During the period, options to subscribe for 1,760,000 shares in total at exercise prices of HK$7.02 and HK$11.3 per share respectively were granted on even dates under the share option scheme to certain employees of the Group. Total fair value of these share options granted was approximately HK$7.7 million. For the six months ended 30 June 2008, an amount of HK$32.1 million was charged off as equity-settled share option expense to the income statement.

Pursuant to a resolution of the Board on 10 July 2008, share options granted to certain directors and eligible employees to subscribe for 16,120,000 shares with exercise prices ranging from HK$7.02 to HK$15.34 per share were replaced by the issue of options at equal number and terms at an exercise price of HK$5.27.

CORPORATE GOVERNANCE

The Company has complied with the code provisions set out in the Code on Corporate Governance Practices (the "Code") contained in Appendix 14 of the Listing Rules throughout the six months ended 30 June 2008, except for the deviation from Code Provision A.4.1, which stipulates that non-executive directors should be appointed for a specific term, subject for re-election. None of the existing non-executive directors of the Company are appointed for a specific term. Instead, the tenure of non-executive directors is governed by the Company's Bye-laws, which requires a director to retire by rotation at the annual general meeting at least once every three years. A retiring director is eligible of re-election. As such, the Board considers that sufficient measures have been taken to ensure that the Company's corporate governance practices are no less exacting than those in the Code.

MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code") set out in Appendix 10 of the Listing Rules as its own code of conduct regarding securities transactions by the directors. Following specific enquiry by the Company, all directors have confirmed that they have complied with the required standard set out in the Model Code throughout the six months ended 30 June 2008.

PURCHASE, SALE OR REDEMPTION OF THE COMPANY'S LISTED SECURITIES

During the six months ended 30 June 2008, neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the Company's listed securities.

AUDIT COMMITTEE

The Audit Committee has discussed with the management and external auditors the accounting principles and policies adopted by the Group, and has reviewed the Group's unaudited interim financial statements for the six months ended 30 June 2008.

PUBLICATION OF INTERIM RESULTS AND INTERIM REPORT

This interim results announcement is published on the Company's website at www.ccland.com.hk and the website of The Stock Exchange of Hong Kong Limited (the "Stock Exchange") at www.hkexnews.hk. The 2008 Interim Report will be despatched to the shareholders and will also be available at the websites of the Company and the Stock Exchange in due course.

By order of the Board
Lam How Mun Peter
Deputy Chairman and Managing Director

Hong Kong, 12 September 2008

As at the date of this announcement, the Board comprises Mr. Cheung Chung Kiu, Dr. Lam How Mun Peter, Mr. Tsang Wai Choi, Mr. Lam Hiu Lo, Mr. Leung Chun Cheong, Mr. Leung Wai Fai, Ms. Poon Ho Yee Agnes, Dr. Wong Kim Wing and Mr. Wu Hong Cho as Executive Directors; Mr. Wong Yat Fai as Non-executive Director; and Mr. Lam Kin Fung Jeffrey, Mr. Leung Yu Ming Steven and Dr. Wong Lung Tak Patrick, J.P. as Independent Non-executive Directors.