

# Interim Report 2008/2009



**New World China Land Limited**

(Stock Code: 00917)



# CHAIRMAN'S STATEMENT



## To Our Shareholders,

In 2008 annual report on the Work of the Government delivered at the 11th Session of National People's Congress, Premier Wen has clearly depicted the unprecedented challenges faced not just by China, but also most of the companies in the country.

From late 2007, the Central Government used various austerity measures to calm down the overheated economy with ever-rising commodity prices. In September 2008, the global financial market had been swiftly overcast by the US sub-prime turmoil. Credit crunch and the worry of global economic slowdown then hammered every single economy in the world. Without hesitation, the Central Government has timely and decisively adjusted its macroeconomic policies to counter against the cooling effect of the global economic crisis.

Property industry is closely correlated to local economy. At first, Mainland China property market experienced rapid development nationwide. Then, austerity measures triggered adjustments of individual regional markets based on their own supply-demand dynamics. Unexpectedly, the global economic volatility dissipated the accumulating healthy market growth momentum. With the implementation of proactive fiscal policy and easing monetary policy, the property market has recently shown signs of stabilisation.

Nevertheless in the short-term, the uncertainty of the global economic situation may induce further downside risks to the China property market. In order to cope with the risks associated, New World China Land ("NWCL") will continue a prudent approach in managing our business in China. However, we believe the rapid urbanisation and genuine housing demand will cradle the healthy growth and development of the market in the long run.

**Dr. Cheng Kar-shun, Henry**

*Chairman and Managing Director*

Hong Kong, 17th March 2009



# FINANCIAL HIGHLIGHTS

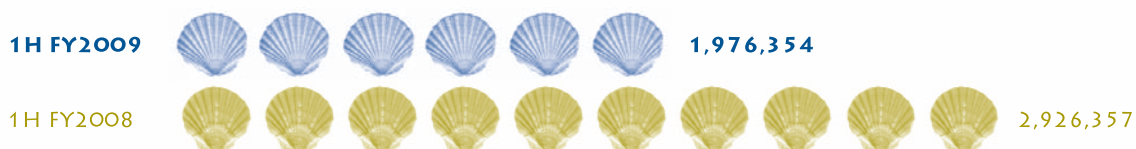


	<b>6 months ended 31st December</b>	
<b>Operating Result (HK\$'000)</b>	<b>2008</b>	2007
<b>Revenues</b>		
Company and subsidiaries	<b>908,495</b>	1,261,423
Share of associated companies and jointly controlled entities (note 1)	<b>1,067,859</b>	1,664,934
	<b>1,976,354</b>	2,926,357
<b>Representing:</b>		
Sale of properties	<b>1,254,985</b>	2,280,099
Rental income	<b>462,783</b>	388,517
Income from hotel operations	<b>191,664</b>	184,037
Property management services fees income	<b>52,847</b>	47,388
Project management fee income	<b>14,075</b>	26,316
	<b>1,976,354</b>	2,926,357
<b>Gross Profit (HK\$'000)</b>		
Company and subsidiaries	<b>342,927</b>	477,911
Share of associated companies and jointly controlled entities (note 2)	<b>539,600</b>	669,456
	<b>882,527</b>	1,147,367
<b>Profit attributable to equity holders of the Company (HK\$'000)</b>	<b>374,165</b>	919,588
<b>Earnings per share (HK cents)</b>		
Basic	<b>9.76</b>	23.99
Diluted	<b>9.34</b>	22.90
<b>Interim dividend per share (HK cents)</b>	—	4.00
	<b>As at</b>	As at
	<b>31st December</b>	30th June
	<b>2008</b>	2008
<b>Financial Position (HK\$ million)</b>		
Cash and bank balances	<b>3,029.3</b>	4,824.6
Total assets	<b>51,733.6</b>	50,357.8
Total liabilities	<b>20,427.5</b>	19,321.3
Capital and reserves attributable to the Company's equity holders	<b>29,972.2</b>	29,704.8
<b>Financial Ratios</b>		
Current ratio (times)	<b>3.91</b>	2.46
Net debt to equity ratio	<b>42%</b>	32%

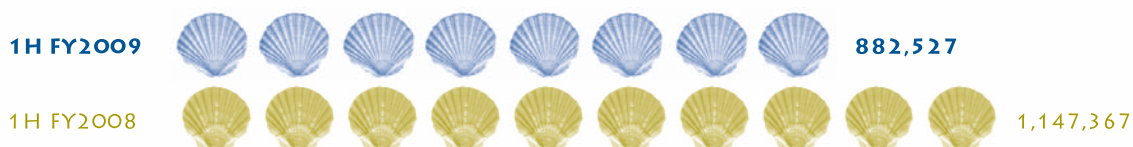
Note 1: It represents attributable share of revenues of associated companies and jointly controlled entities to the Group.

Note 2: It represents attributable share of gross profit of associated companies and jointly controlled entities to the Group.

### Revenues (note 1) (HK\$'000)



### Gross profit (note 2) (HK\$'000)



### Profit attributable to equity holders of the Company (HK\$'000)



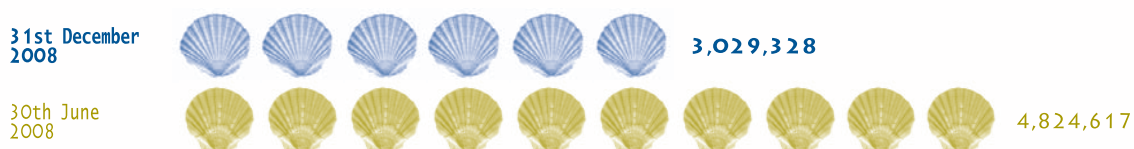
### Total assets (HK\$'000)



### Capital and reserves attributable to the Company's equity holders (HK\$'000)



### Cash and bank balances (HK\$'000)



Note 1: It represents revenues of the Company and subsidiaries plus share of associated companies and jointly controlled entities attributable to the Group as tabulated on page 2.

Note 2: It represents gross profit of the Company and subsidiaries plus share of associated companies and jointly controlled entities attributable to the Group as tabulated on page 2.

# MANAGEMENT DISCUSSION AND ANALYSIS



## BUSINESS REVIEW

During the period under review, the China property market has experienced the negative effects from both the austerity measures previously imposed by the Central Government and the global economic downturn triggered by the US sub-prime turmoil. Faced with these challenges, the Group recorded a profit of HK\$374.2 million in the first half of FY2009, a decrease of 59% from the corresponding period last year. The decrease in profit for the period was mainly attributable to the effect from changes in fair value of investment properties which turned to a loss of HK\$55.2 million from last period's gain of HK\$76.5 million as a result of downward adjustment in fair value of the Group's rental portfolio and also the effect of foreign exchange loss of HK\$12.6 million as opposed to a gain of HK\$226.8 million recorded during the previous period when Renminbi had appreciated by over 4%. Without taking into accounts the effect from abovementioned non-operating items and other exceptional items, the underlying core profit from the Group's four core business operations in fact reached HK\$514.8 million, representing an increase of 5% over that of corresponding period last year.

With the backdrop of volume shrinkage and price correction in the overall property market, the Group's property sales operation still maintained a positive contribution with a considerable improvement of 6 percentage points in the average gross margin achieved. Furthermore, our rental operation enjoyed a handsome growth of 32% in AOP contributions with the continuous improvement in rental rates and occupancies of our investment properties portfolio.

### Analysis of Attributable operating profit ("AOP")

	6 months ended 31st December	
	2008 HK\$'000	2007 HK\$'000
Property sales	326,528	331,391
Rental operation	223,451	169,289
Hotel operation	(29,077)	13,732
Property management services	1,259	4,493
Others	(7,343)	(28,220)
AOP before provision and finance costs	514,818	490,685
Gain on repurchase of convertible bonds	67,038	—
Excess of fair value of net assets acquired over cost of acquisition of interest in subsidiaries	50,940	19,584
Increase in fair value of financial assets at fair value through profit or loss	33,591	—
Gain on disposal of subsidiaries	29,141	85,301
Tax indemnity from the ultimate holding company	16,658	254,259
Changes in fair value of investment properties, net of deferred taxation	(55,228)	76,532
Finance costs — project loans	(117,380)	(108,901)
AOP	539,578	817,460
Finance costs — corporate loans	(72,037)	(85,003)
Corporate administrative expenses	(85,780)	(63,923)
Deferred tax on undistributed profits	(4,279)	(41,443)
Net foreign exchange (loss)/gains	(12,561)	226,789
Bank and other interest income	9,244	65,708
Profit attributable to equity holders of the Company	374,165	919,588



## Property sales

During the period under review, the Group has completed four property development projects in Guangzhou and Guiyang with a total gross floor area (“GFA”) of 187,988 sq.m., up 27% year-on-year. The AOP of property sales has achieved HK\$326.5 million or a slight decrease of 1% against the first half of FY2008. With slow sentiment in the property market during the period under review, the Group’s performance in property sales has been impacted with a decrease in sales volume by 48% to a total of 147,015 sq.m. GFA sales, generating gross sale proceeds of over RMB1.2 billion. However, it is encouraging that the average gross margin of the period’s sales improved 6 percentage points to 39%, mitigating the effect from decrease in sales volume.

<b>Development property projects completed in 1st half of FY2009</b>	<b>Usage</b>	<b>Total GFA (sq.m.)</b>	<b>NWCL’s interest</b>
Guangzhou New World Oriental Garden Phase II (廣州東方新世界花園二期)	R	11,717	100%
Guangzhou Park Paradise Phase IID2 (廣州嶺南新世界二期D2)	R	65,758	60%
Guangzhou Xintang New World Garden Phase V (廣州新塘新世界花園五期)	R	54,743	63%
Guiyang Jinyang Sunny Town Phase I (貴陽金陽新世界一期)	R, P	55,770	50%
<b>Total</b>		<b>187,988</b>	

R: Residential  
C: Commercial  
P: Carpark  
H: Hotel

## Rental operation

The AOP from rental operation recorded at HK\$223.5 million during the period under review, up 32% against the first half of FY2008. The significant improvement was due to increased contribution from Beijing New World Centre shopping arcade and the higher occupancy rates of office premises, particularly Wuhan New World Trade Tower and Wuhan New World Centre.

The Group’s investment property portfolio has increased by 5,540 sq.m., mainly from the completion of car parks at Guangzhou Park Paradise and Guangzhou New World Oriental Garden.

<b>Investment properties completed in 1st half of FY2009</b>	<b>Usage</b>	<b>Total GFA (sq.m.)</b>	<b>NWCL’s interest</b>
Guangzhou New World Oriental Garden Phase II (廣州東方新世界花園二期)	P	1,264	100%
Guangzhou Park Paradise Phase IID2 (廣州嶺南新世界二期D2)	P	4,276	60%
<b>Total</b>		<b>5,540</b>	

# MANAGEMENT DISCUSSION AND ANALYSIS



## BUSINESS REVIEW *(Continued)*

### Hotel operation

During the period under review, the AOP from hotel operation turned into a loss of HK\$29.1 million. The overall hotel operating results was dampened because of the renovations of Courtyard by Marriot Beijing and New World Mayfair Hotel Shanghai. The pre-matured results of the newly launched New World Hotel Wuhan and the pre-opening expenses incurred for New World Hotel Dalian, also contributed to the overall losses from hotel operation.

In the first half of FY2009, the Pentahotel Shanghai was opened with 260 rooms. The Group's hotel portfolio currently comprises of six hotels with 2,120 rooms.

Hotel portfolio	Number of rooms
Courtyard by Marriot Beijing (北京萬怡酒店)	299
New World Mayfair Hotel Shanghai (上海巴黎春天大酒店)	605
Pentahotel Shanghai (上海貝爾特酒店)	260
New World Hotel Shenyang (瀋陽新世界酒店)	259
New World Hotel Wuhan (武漢新世界酒店)	327
Courtyard by Marriot Shunde (順德萬怡酒店)	370
<b>Total</b>	<b>2,120</b>

## LIQUIDITY AND CAPITAL RESOURCES

As at 31st December 2008, the Group's cash and bank deposits amounted to HK\$3,029 million (30th June 2008: HK\$4,825 million). The decrease in cash and bank deposits was mainly due to payment of development costs for new phases of development projects in Shanghai, Dalian and Shenyang. The Group's consolidated net debt (aggregate of borrowings, net of cash and bank balances) amounted to HK\$13,229 million (30th June 2008: HK\$9,855 million), translating into a gearing ratio of 42% (30th June 2008: 32%). The gearing ratio is calculated on the basis of net debts over total equity.

The Group's borrowings from banks and fellow subsidiaries and liabilities of convertible bonds as at 31st December 2008 totaled HK\$15,248 million (30th June 2008: HK\$13,613 million) of which 18% were secured by way of charges over assets and 82% were unsecured.

The maturity profile of the Group's borrowings from banks and fellow subsidiaries and liabilities of convertible bonds is set out as follows:

	As at 31st December 2008 HK\$'million	As at 30th June 2008 HK\$'million
Repayable:		
Within one year	2,162	4,426
Between one and two years	2,792	2,654
Between two and five years	10,294	6,533
<b>Total</b>	<b>15,248</b>	<b>13,613</b>

As at 31st December 2008, the Group's committed unutilised bank loan facilities amounted to HK\$2,225 million (30th June 2008: HK\$2,548 million).

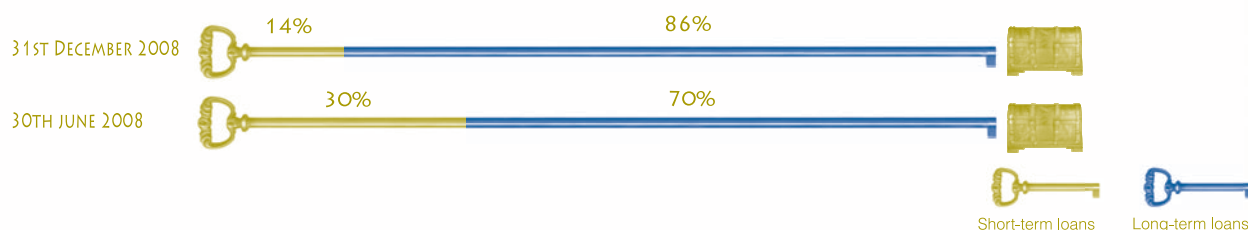
## Capital expenditure commitments

The capital expenditure commitments of the Group as at 31st December 2008 were HK\$256,241,000 (30th June 2008: HK\$173,711,000) of which HK\$148,241,000 (30th June 2008: HK\$65,711,000) were contracted but not provided for in the financial statements and HK\$108,000,000 (30th June 2008: HK\$108,000,000) were authorised but not contracted for. The Group did not have any share of capital commitments of jointly controlled entities (30th June 2008: Nil). The source of funding for capital commitments are internally generated resources and bank loan facilities.

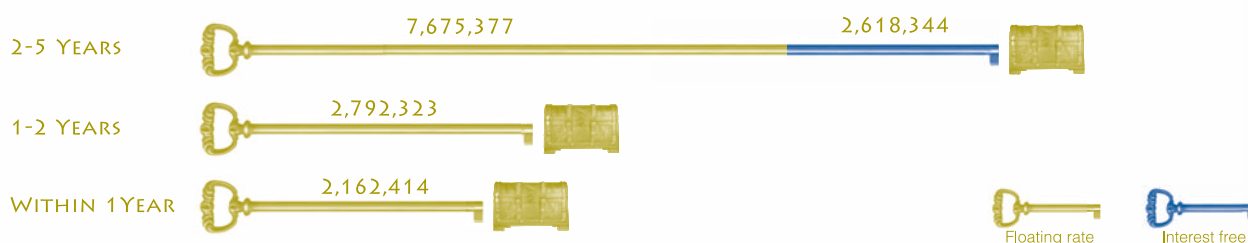
## Foreign currency exposure

The Group conducts its business mainly in Renminbi. Other than certain bank balances and borrowings denominated in Hong Kong dollar and United States dollar, the Group does not have any material direct exposure to foreign exchange fluctuations. During the period under review, the Group has not used any foreign currency derivative product to hedge its exposure to currency risk.

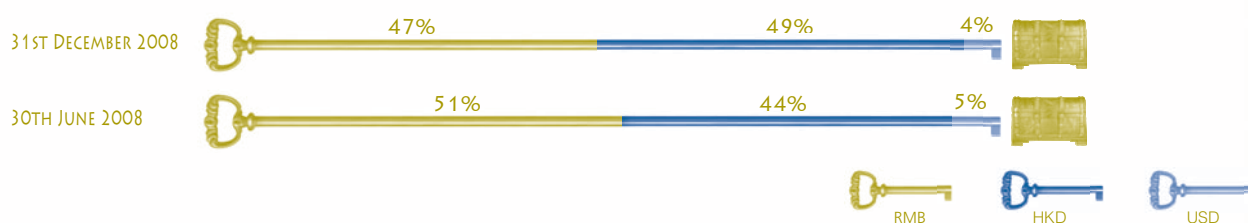
## Source of Borrowings



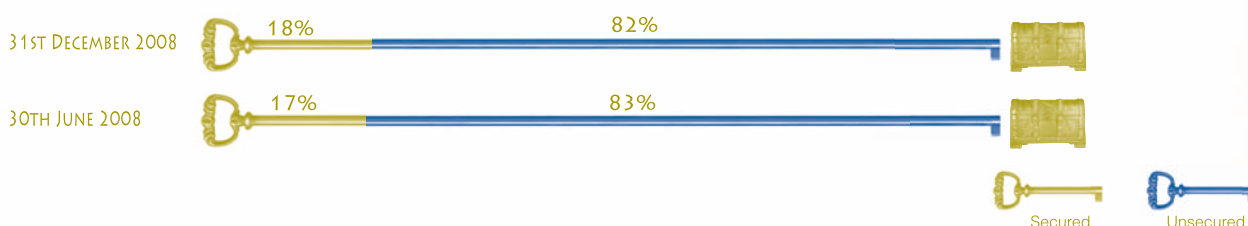
## Interest Rate and Maturity Profile (HK\$'000)



## Currency Profile of Borrowings



## Nature of Debt







# MANAGEMENT DISCUSSION AND ANALYSIS



## CONTINGENT LIABILITIES

As at 31st December 2008, the Group has contingent liabilities of approximately HK\$2,517,095,000 (30th June 2008: HK\$2,350,081,000) relating to corporate guarantees given in respect of bank loan facilities extended to certain associated companies and jointly controlled entities. The increase in contingent liabilities was mainly due to further drawdown of bank loans obtained by certain associated companies and jointly controlled entities during the period.

As at 31st December 2008, the Group had provided guarantees in respect of mortgage facilities granted by certain banks relating to the mortgage loans arranged for certain purchasers of properties developed by certain subsidiaries of the Group amounting to HK\$1,170,455,000 (30th June 2008: HK\$995,605,000).

## DETAILS OF CHARGES ON GROUP'S ASSETS

As at 31st December 2008, the Group's property, plant and equipment, investment properties, land use rights, properties held for development, properties under development and bank deposits of HK\$429,495,000 (30th June 2008: HK\$456,546,000), HK\$2,123,154,000 (30th June 2008: HK\$2,157,547,000), HK\$227,136,000 (30th June 2008: HK\$297,343,000), HK\$264,402,000 (30th June 2008: HK\$261,345,000), HK\$2,674,226,000 (30th June 2008: HK\$1,345,017,000), and HK\$341,805,000 (30th June 2008: HK\$456,468,000) respectively have been pledged as securities for short term and long term loans. As at 30th June 2008, completed properties held for sale of HK\$10,499,000 had been charged as securities for a long term loan. The loan was fully repaid during the period.

## OUTLOOK

Property industry is closely correlated to local economy. Credit crunch and the worry of global economic slowdown are hammering every single economy in the world, including China. With the timely implementation of proactive fiscal policy and easing monetary policy by the Central Government, the property market has recently shown signs of stabilisation.

In the short-term, the uncertainty of the global economic situation may induce further downside risks to the China property market. In order to cope with the risks associated, the Group will continue its prudent approach in managing our business in China. We believe the rapid urbanisation and genuine housing demand will cradle the healthy growth and development of the market in the long run.

In the second half of FY2009, the Group plans to complete 12 projects with a total GFA of 814,753 sq.m..

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<b>Properties to be completed in 2nd half of FY2009</b>	<b>Usage</b>	<b>Total GFA (sq.m.)</b>	<b>NWCL's interest</b>
Dalian New World Tower (大連新世界大廈)	R, C, H, P	128,631	100%
Wuhan New World Centre (武漢新世界中心)	C	11,049	100%
Wuhan Menghu Garden Phase III (武漢夢湖香郡三期)	R	15,660	70%
Wuhan Changqing Garden Phase VII (武漢常青花園七期)	R, C, P	168,545	60%
Wuhan Xin Hua Garden Phase IV (武漢新華家園四期)	R, P	61,233	60%
Chengdu Riverside New World Phase I (成都河畔新世界一期)	R	92,080	30%
Changsha La Ville New World Phase I (長沙新城新世界一期)	R, P	163,571	45%
Guangzhou Covent Garden Phase III (廣州逸彩庭園三期)	R, C, P	33,761	60%
Guangzhou Park Paradise Phase IID3 (廣州嶺南新世界二期D3)	R, C, P	46,174	60%
Guangzhou Park Paradise Phase IIE1 (廣州嶺南新世界二期E1)	R	14,450	60%
Guangzhou Xintang New World Garden Phase V (廣州新塘新世界花園五期)	R, C	15,209	63%
Zhaoqing New World Garden Phase II (肇慶新世界花園二期)	R, P	64,390	40%
<b>Total</b>		<b>814,753</b>	



# DISCLOSURE OF INTERESTS



## DIRECTORS' INTERESTS IN SECURITIES *(Continued)*

### (A) Long position in shares *(Continued)*

	Number of shares/ amount of registered capital			Total	Percentage to the relevant issued/ registered capital at 31st December 2008
	Personal interests	Family interests	Corporate interests		
<b>Dragon Fortune Limited</b> (Ordinary shares of US\$1.00 each) Mr. Cheng Kar-shing, Peter	—	—	15,869 <sup>(5)</sup>	<b>15,869</b>	27.41
<b>Faith Yard Property Limited</b> (Ordinary shares of US\$1.00 each) Mr. Doo Wai-hoi, William	—	—	1 <sup>(6)</sup>	<b>1</b>	50.00
<b>Fortune Star Worldwide Limited</b> (Ordinary shares of US\$1.00 each) Mr. Doo Wai-hoi, William	—	—	60 <sup>(6)</sup>	<b>60</b>	60.00
<b>Guangzhou Ronghe Real Estate Co., Ltd.</b> (Registered capital in RMB) Mr. Fu Sze-shing	—	—	4,666,500 <sup>(7)</sup>	<b>4,666,500</b>	5.00
<b>Mega Choice Holdings Limited</b> (Ordinary shares of HK\$1.00 each) Dr. Cheng Kar-shun, Henry	—	—	3,710 <sup>(1)</sup>	<b>3,710</b>	34.61
<b>Ramada Property Ltd.</b> (Ordinary shares of US\$1.00 each) Mr. Doo Wai-hoi, William	—	—	250 <sup>(6)</sup>	<b>250</b>	25.00
<b>Shanghai Juyi Real Estate Development Co., Ltd.</b> (Registered capital in RMB) Mr. Doo Wai-hoi, William	—	—	382,500,000 <sup>(2)</sup>	<b>382,500,000</b>	50.00
<b>Shanghai New World Huai Hai Property Development Co., Ltd.</b> (Registered capital in US\$) Mr. Doo Wai-hoi, William	—	—	60,651,500 <sup>(8)</sup>	<b>60,651,500</b>	55.90
<b>Shanghai New World Shangxian Lane Development Ltd.</b> (Registered capital in US\$) Mr. Doo Wai-hoi, William	—	—	125,730,000 <sup>(2)</sup>	<b>125,730,000</b>	99.00



	Number of shares/ amount of registered capital			Total	Percentage to the relevant issued/ registered capital at 31st December 2008
	Personal interests	Family interests	Corporate interests		
<b>Shanghai Trio Property Development Co. Ltd.</b>					
(Registered capital in US\$)					
Mr. Doo Wai-hoi, William	—	—	42,525,000 <sup>(2)</sup>	<b>42,525,000</b>	52.50
<b>Sun City Holdings Limited</b>					
(Ordinary shares of HK\$1.00 each)					
Mr. Cheng Kar-shing, Peter	—	80,000	3,570,000 <sup>(9)</sup>	<b>3,650,000</b>	45.63
<b>Sun Legend Investments Limited</b>					
(Ordinary shares of HK\$1.00 each)					
Mr. Cheng Kar-shing, Peter	—	—	500 <sup>(10)</sup>	<b>500</b>	50.00
<b>Taifook Securities Group Limited</b>					
(Ordinary shares of HK\$0.10 each)					
Mr. Doo Wai-hoi, William	—	—	5,000,000 <sup>(2)</sup>	<b>5,000,000</b>	0.71
<b>YE Holdings Corporation</b>					
(Ordinary shares of HK\$1.00 each)					
Mr. Leung Chi-kin, Stewart	37,500	—	—	<b>37,500</b>	1.50
<b>Zhaoqing New World Property Development Limited</b>					
(Registered capital in US\$)					
Mr. Doo Wai-hoi, William	—	—	8,250,000 <sup>(11)</sup>	<b>8,250,000</b>	60.00
<b>Zhaoqing Fubang Property Management Limited</b>					
(Formerly known as Zhaoqing New World Property Management Limited)					
(Registered capital in HK\$)					
Mr. Doo Wai-hoi, William	—	—	300,000 <sup>(11)</sup>	<b>300,000</b>	60.00



# DISCLOSURE OF INTERESTS



## DIRECTORS' INTERESTS IN SECURITIES *(Continued)*

### (A) Long position in shares *(Continued)*

Notes:

1. *These shares are beneficially owned by companies wholly-owned by Dr. Cheng Kar-shun, Henry.*
2. *These shares are beneficially owned by companies wholly-owned by Mr. Doo Wai-hoi, William.*
3. *These shares are beneficially owned by a company wholly-owned by Mr. Cheng Kar-shing, Peter.*
4. *These shares are beneficially owned by a company wholly-owned by Mr. Cheng Chi-kong, Adrian.*
5. *4,102 shares are held by a company wholly-owned by Mr. Cheng Kar-shing, Peter and 11,767 shares are held by Sun City Holdings Limited ("Sun City"), of which Mr. Cheng is deemed to be interested in 45.63% of its issued share capital.*
6. *These shares were beneficially owned by a company wholly-owned by Mr. Doo Wai-hoi, William and there is a contract to sell these shares, subject to completion of all conditions contained therein.*
7. *The interest is beneficially owned by a company of which Mr. Fu Sze-shing has 50% interest.*
8. *These interests are beneficially-owned by a company wholly-owned by Mr. Doo Wai-hoi, William and there is a contract to sell 5.9% interest, subject to completion of all conditions contained therein.*
9. *These shares are held by a company of which Mr. Cheng Kar-shing, Peter owns an indirect interest of 49.58%.*
10. *Mr. Cheng Kar-shing, Peter is deemed to be interested in these shares by virtue of his interests in Sun City.*
11. *Mr. Doo Wai-hoi, William is deemed to be interested in the registered capitals of these companies by virtue of his interest in Fortune Star Worldwide Limited.*

## (B) Long position in underlying shares – share options

### (1) *The Company*

Under the share option scheme of the Company adopted on 26th November 2002, share options were granted to the undermentioned directors which entitle them to subscribe for shares of the Company and accordingly they are regarded as interested in the underlying shares of the Company. Details of the share options held by them during the period were as follows:

Name of director	Date of grant	Exercisable period	Number of share options			Balance as at 31st December 2008	Exercise price per share HK\$
			Balance as at 1st July 2008	Granted during the period (note 4)	Exercised during the period		
Dr. Cheng Kar-shun, Henry	7th January 2008	(note 1)	2,000,000	–	–	<b>2,000,000</b>	6.972
	29th December 2008	(note 3)	–	1,600,000	–	<b>1,600,000</b>	1.500
Mr. Doo Wai-hoi, William	7th January 2008	(note 1)	800,000	–	–	<b>800,000</b>	6.972
	29th December 2008	(note 3)	–	650,000	–	<b>650,000</b>	1.500
Mr. Cheng Kar-shing, Peter	7th January 2008	(note 1)	800,000	–	–	<b>800,000</b>	6.972
	29th December 2008	(note 3)	–	650,000	–	<b>650,000</b>	1.500
Mr. Cheng Chi-kong, Adrian	25th July 2006	(note 2)	331,600	–	–	<b>331,600</b>	2.865
	7th January 2008	(note 1)	1,500,000	–	–	<b>1,500,000</b>	6.972
	29th December 2008	(note 3)	–	1,200,000	–	<b>1,200,000</b>	1.500
Mr. Leung Chi-kin, Stewart	7th January 2008	(note 1)	200,000	–	–	<b>200,000</b>	6.972
	29th December 2008	(note 3)	–	150,000	–	<b>150,000</b>	1.500
Mr. Chow Kwai-cheung	7th January 2008	(note 1)	200,000	–	–	<b>200,000</b>	6.972
	29th December 2008	(note 3)	–	150,000	–	<b>150,000</b>	1.500
Mr. Chow Yu-chun, Alexander	7th January 2008	(note 1)	500,000	–	–	<b>500,000</b>	6.972
	29th December 2008	(note 3)	–	500,000	–	<b>500,000</b>	1.500
Mr. Fong Shing-kwong, Michael	7th January 2008	(note 1)	500,000	–	–	<b>500,000</b>	6.972
	29th December 2008	(note 3)	–	150,000	–	<b>150,000</b>	1.500
Ms. Ngan Man-ying, Lynda	7th January 2008	(note 1)	1,000,000	–	–	<b>1,000,000</b>	6.972
	29th December 2008	(note 3)	–	900,000	–	<b>900,000</b>	1.500
Mr. Fu Sze-shing	7th January 2008	(note 1)	200,000	–	–	<b>200,000</b>	6.972
	29th December 2008	(note 3)	–	150,000	–	<b>150,000</b>	1.500
Mr. Cheng Wai-chee, Christopher	7th January 2008	(note 1)	300,000	–	–	<b>300,000</b>	6.972
	29th December 2008	(note 3)	–	300,000	–	<b>300,000</b>	1.500
Mr. Tien Pei-chun, James	7th January 2008	(note 1)	300,000	–	–	<b>300,000</b>	6.972
	29th December 2008	(note 3)	–	300,000	–	<b>300,000</b>	1.500
Mr. Lee Luen-wai, John	7th January 2008	(note 1)	300,000	–	–	<b>300,000</b>	6.972
	29th December 2008	(note 3)	–	300,000	–	<b>300,000</b>	1.500
<b>Total</b>			<b>8,931,600</b>	<b>7,000,000</b>	<b>–</b>	<b>15,931,600</b>	



# DISCLOSURE OF INTERESTS



## DIRECTORS' INTERESTS IN SECURITIES (Continued)

### (B) Long position in underlying shares – share options (Continued)

#### (1) The Company (Continued)

Notes:

1. Divided into 3 tranches, exercisable from 8th February 2008, 8th February 2009 and 8th February 2010, respectively to 7th February 2011.
2. Divided into 5 tranches, exercisable from 26th August 2006, 26th August 2007, 26th August 2008, 26th August 2009 and 26th August 2010, respectively to 25th August 2011.
3. Divided into 4 tranches, exercisable from 30th January 2009, 30th January 2010, 30th January 2011 and 30th January 2012, respectively to 29th January 2013.
4. The closing price per share immediately before 29th December 2008, the date of grant, was HK\$2.210.
5. The cash consideration paid by each of the directors for grant of the share options is HK\$10.

#### (2) New World Development Company Limited

Under the share option scheme of the holding company, New World Development Company Limited ("NWD"), the following directors have personal interests in share options to subscribe for shares in NWD and are accordingly regarded as interested in the underlying shares of NWD. Details of the share options of NWD held by them during the period were as follows:

Name of director	Date of grant	Exercisable period	Number of share options			Exercise price per share HK\$
			Balance as at 1st July 2008	Exercised during the period	Balance as at 31st December 2008	
Dr. Cheng Kar-shun, Henry	19th March 2007	(note 1)	36,500,000	—	<b>36,500,000</b>	17.756
Mr. Cheng Kar-shing, Peter	19th March 2007	(note 1)	200,000	—	<b>200,000</b>	17.756
		(note 2)	1,200,000	—	<b>1,200,000</b>	17.756
Mr. Cheng Chi-kong, Adrian	19th March 2007	(note 2)	500,000	—	<b>500,000</b>	17.756
Mr. Leung Chi-kin, Stewart	19th March 2007	(note 1)	35,500,000	—	<b>35,500,000</b>	17.756
Mr. Chow Kwai-cheung	19th March 2007	(note 2)	1,200,000	—	<b>1,200,000</b>	17.756
Mr. Chow Yu-chun, Alexander	19th March 2007	(note 2)	1,500,000	—	<b>1,500,000</b>	17.756
Mr. Fong Shing-kwong, Michael	19th March 2007	(note 3)	600,000	—	<b>600,000</b>	17.756
Mr. Fu Sze-shing	19th March 2007	(note 2)	750,000	—	<b>750,000</b>	17.756
Mr. Lee Luen-wai, John	19th March 2007	(note 1)	300,000	—	<b>300,000</b>	17.756
<b>Total</b>			<b>78,250,000</b>	<b>—</b>	<b>78,250,000</b>	

Notes:

1. *Exercisable from 19th March 2007 to 18th March 2012.*
2. *Divided into 5 tranches exercisable from 19th March 2007, 19th March 2008, 19th March 2009, 19th March 2010 and 19th March 2011, respectively to 18th March 2012.*
3. *Divided into 3 tranches exercisable from 19th March 2009, 19th March 2010 and 19th March 2011, respectively to 18th March 2012.*
4. *The cash consideration paid by each of the directors for grant of the share options is HK\$10.*

(3) *NWS Holdings Limited*

Under the share option scheme of a fellow subsidiary, NWS Holdings Limited (“NWS”), the following directors have personal interests in share options to subscribe for shares in NWS and are accordingly regarded as interested in the underlying shares of NWS. Details of the share options of NWS held by them during the period were as follows:

Name of director	Date of grant	Exercisable period	Number of share options			Exercise price per share HK\$
			Balance as at 1st July 2008	Exercised during the period	Balance as at 31st December 2008	
Dr. Cheng Kar-shun, Henry	21st August 2007	(note 1)	1,200,511	—	<b>1,200,511</b>	16.193
		(note 2)	1,800,766	—	<b>1,800,766</b>	16.193
Mr. Doo Wai-hoi, William	21st August 2007	(note 1)	800,340	—	<b>800,340</b>	16.193
		(note 2)	1,200,511	—	<b>1,200,511</b>	16.193
Mr. Cheng Wai-chee, Christopher	21st August 2007	(note 1)	240,102	—	<b>240,102</b>	16.193
		(note 2)	360,153	—	<b>360,153</b>	16.193
Total			5,602,383	—	<b>5,602,383</b>	

Notes:

1. *Exercisable from 21st August 2008 to 20th August 2012.*
2. *Divided into 3 tranches exercisable from 21st August 2009, 21st August 2010 and 21st August 2011, respectively to 20th August 2012.*
3. *The cash consideration paid by each of the directors for grant of the share options is HK\$10.*

# DISCLOSURE OF INTERESTS



## DIRECTORS' INTERESTS IN SECURITIES *(Continued)*

### (B) Long position in underlying shares – share options *(Continued)*

#### (4) *New World Department Store China Limited*

Under the share option scheme of a fellow subsidiary, New World Department Store China Limited (“NWDS”), the following directors have personal interests in share options to subscribe for shares in NWDS and are accordingly regarded as interested in the underlying shares of NWDS. Details of the share options of NWDS held by them during the period were as follows:

Name of director	Date of grant	Exercisable period	Number of share options		Exercise price per share HK\$
			Balance as at 1st July 2008	Exercised during the period	
Dr. Cheng Kar-shun, Henry	27th November 2007	(note 1)	1,000,000	—	8.660
Mr. Cheng Chi-kong, Adrian	27th November 2007	(note 1)	500,000	—	8.660
Ms. Ngan Man-ying, Lynda	27th November 2007	(note 1)	500,000	—	8.660
<b>Total</b>			<b>2,000,000</b>	<b>—</b>	

#### Notes:

1. *Divided into 5 tranches exercisable from 27th November 2008, 27th November 2009, 27th November 2010, 27th November 2011 and 27th November 2012, respectively to 26th November 2013, provided that the maximum number of share options that can be exercised during each anniversary year is 20% of the total number of share options granted together with any unexercised share options carried forward from the previous anniversary years.*
2. *The cash consideration paid by each of the directors for grant of the share options is HK\$1.*



### (C) Long position in debentures

The following directors have interest in the debentures issued by New World China Land Finance Limited ("NWCLF"), an indirect wholly-owned subsidiary of the Company. Details of the debentures of NWCLF held by them as at 31st December 2008 were as follows:

Name of director	Amount of debentures in RMB issued by NWCLF				Percentage to the total amount of debentures in issue as at 31st December 2008
	Personal interest	Family interest	Corporate interest	Total	
Mr. Doo Wai-hoi, William	10,000,000 <sup>(1)</sup>	28,000,000 <sup>(2)</sup>	59,000,000 <sup>(3)</sup>	97,000,000	3.80
Mr. Cheng Chi-kong, Adrian	—	—	2,000,000 <sup>(4)</sup>	2,000,000	0.08

Notes:

1. These debentures are convertible into 1,300,172 shares of HK\$0.10 each of the Company, representing approximately 0.03% of its issued share capital as at 31st December 2008, for the period from 26th June 2007 to 26th May 2012.
2. These debentures are convertible into 3,640,482 shares of HK\$0.10 each of the Company, representing approximately 0.09% of its issued share capital as at 31st December 2008, for the period from 26th June 2007 to 26th May 2012, which are beneficially held by a company owned by the spouse of Mr. Doo Wai-hoi, William.
3. These debentures are convertible into 7,671,016 shares of HK\$0.10 each of the Company, representing approximately 0.20% of its issued share capital as at 31st December 2008, for the period from 26th June 2007 to 26th May 2012, which are beneficially held by companies wholly-owned by Mr. Doo Wai-hoi, William.
4. These debentures are convertible into 260,034 shares of HK\$0.10 each of the Company, representing approximately 0.01% of its issued share capital as at 31st December 2008, for the period from 26th June 2007 to 26th May 2012, which are beneficially held by a company wholly-owned by Mr. Cheng Chi-kong, Adrian.

Save as disclosed above, as at 31st December 2008, none of the directors, chief executive or any of their associates had or deemed to have any interest or short position in the shares, registered capital, underlying shares and debentures of the Company or any of its associated corporations as defined in the SFO that were required to be entered into the register kept by the Company pursuant to section 352 of the SFO or were required to be notified to the Company and The Stock Exchange of Hong Kong Limited pursuant to the Model Code for Securities Transactions by Directors of Listed Companies.



During the six months ended 31st December 2008, movement of share options granted to the directors and employees of the Group under the 2002 Share Option Scheme was as follows:

- (A) Movement of share options granted to directors was disclosed under the heading “Directors’ interests in securities” above.
- (B) Movement of share options granted to employees was as follows:

Date of grant	Number of share options <sup>(1)</sup>				Outstanding as at 31st December 2008	Exercise price per share HK\$
	Balance as at 1st July 2008	Granted during the period <sup>(5)</sup>	Exercised during the period	Lapsed during the period		
25th March 2004 to 21st April 2004	330,600	—	—	—	330,600	2.252
18th June 2004 to 15th July 2004	104,800	—	(104,800) <sup>(6)</sup>	—	—	1.650
4th November 2004 to 1st December 2004	121,200	—	—	—	121,200	2.484
22nd December 2004 to 18th January 2005	49,800	—	—	—	49,800	2.689
13th July 2005 to 9th August 2005	203,600	—	—	—	203,600	2.300
7th November 2005 to 2nd December 2005	20,000	—	—	—	20,000	2.620
28th March 2006 to 24th April 2006	2,103,600	—	—	(124,000)	1,979,600	3.915
28th June 2006 to 26th July 2006	58,000	—	—	—	58,000	2.865
17th October 2006 to 13th November 2006	464,400	—	—	—	464,400	3.340
28th December 2006 to 24th January 2007	1,002,000	—	—	—	1,002,000	4.712
19th March 2007 to 13th April 2007	735,200	—	—	—	735,200	4.500
14th June 2007 to 11th July 2007	1,922,400	—	—	(221,200)	1,701,200	6.710
17th October 2007 to 13th November 2007	1,709,200	—	—	(248,400)	1,460,800	8.070
28th December 2007 to 24th January 2008	1,102,400	—	—	(232,400)	870,000	6.972
28th December 2007 to 24th January 2008	4,580,000 <sup>(2)</sup>	—	—	(120,000)	4,460,000	6.972
22nd April 2008 to 19th May 2008	868,800	—	—	—	868,800	5.260
31st July 2008 to 27th August 2008	—	1,758,800	—	(265,600)	1,493,200	3.662
12th November 2008 to 9th December 2008	—	1,203,600	—	—	1,203,600	1.682
2nd December 2008 to 29th December 2008	—	1,688,000 <sup>(3)</sup>	—	—	1,688,000	1.500
2nd December 2008 to 29th December 2008	—	8,944,000 <sup>(4)</sup>	—	—	8,944,000	1.500
2nd December 2008 to 29th December 2008	—	2,368,000	—	—	2,368,000	1.500
<b>Total</b>	<b>15,376,000</b>	<b>15,962,400</b>	<b>(104,800)</b>	<b>(1,211,600)</b>	<b>30,022,000</b>	





## DISCLOSURE OF INTERESTS



### SHARE OPTION SCHEME (Continued)

Notes:

1. *The share options are exercisable within five years commencing from one month after the dates of grant, provided that the maximum number of share options that can be exercised during each anniversary year is 20% of the total number of the share options granted together with any unexercised share options carried forward from the previous anniversary years, except otherwise specified in notes 2, 3 and 4.*
2. *The share options are exercisable within three years commencing from one month after the dates of grant, provided that the maximum number of share options that can be exercised during each anniversary year is about 33% of the total number of the share options granted together with any unexercised share options carried forward from the previous anniversary year.*
3. *The share options are exercisable within two years commencing from one month after the dates of grant, provided that the maximum number of share options that can be exercised during each anniversary year is 50% of the total number of the share options granted together with any unexercised share options carried forward from the previous anniversary year.*
4. *The share options are exercisable within four years commencing from one month after the dates of grant, provided that the maximum number of share options that can be exercised during each anniversary year is 25% of the total number of the share options granted together with any unexercised share options carried forward from the previous anniversary year.*
5. *The closing price per share immediately before 31st July 2008, 12th November 2008 and 2nd December 2008, the dates of offer to grant, was HK\$3.600, HK\$1.650 and HK\$1.640, respectively.*
6. *The closing price of the shares immediately before the date on which share options were exercised under the 2002 Share Option Scheme was HK\$3.030.*

The fair values of the share options granted during the period with exercise prices per share of HK\$3.662, HK\$1.682 and HK\$1.500 are estimated at HK\$1.230, HK\$0.650 and HK\$0.460 to HK\$0.580 respectively using the Binomial pricing model. Values are estimated based on the risk-free rate ranging from 0.96% to 3.322% per annum with reference to the rate prevailing on the Exchange Fund Notes, a one-year period historical volatility of ranging from 46% to 61%, assuming dividend yield ranging from 0.85% to 1.22% and an expected option life of 2 to 5 years.

The Binomial pricing model required input of subjective assumptions such as the expected stock price volatility. Change in the subjective input may materially affect the fair value estimates.



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# CONSOLIDATED INCOME STATEMENT

For the six months ended 31st December 2008



		<b>Unaudited</b>	
		<b>6 months ended 31st December</b>	
	Note	<b>2008</b> <b>HK\$'000</b>	2007 HK\$'000
Revenues	2	<b>908,495</b>	1,261,423
Cost of sales		<b>(565,568)</b>	(783,512)
Gross profit		<b>342,927</b>	477,911
Other gains, net	3	<b>477,119</b>	1,035,133
Changes in fair value of investment properties		<b>(154,477)</b>	3,543
Selling expenses		<b>(71,780)</b>	(77,387)
Administrative expenses		<b>(23,970)</b>	(36,958)
Other operating expenses		<b>(274,357)</b>	(306,541)
Operating profit before finance costs	4	<b>295,462</b>	1,095,701
Finance costs		<b>(159,484)</b>	(166,925)
Share of results of			
Associated companies		<b>89,065</b>	65,421
Jointly controlled entities		<b>125,495</b>	21,346
Profit before taxation		<b>350,538</b>	1,015,543
Taxation charge	5	<b>(1,795)</b>	(135,683)
Profit for the period		<b>348,743</b>	879,860
Attributable to:			
Equity holders of the Company		<b>374,165</b>	919,588
Minority interests		<b>(25,422)</b>	(39,728)
		<b>348,743</b>	879,860
Interim dividend	6	—	153,342
Interim dividend per share	6	—	4.00 cents
Earnings per share	7		
Basic		<b>9.76 cents</b>	23.99 cents
Diluted		<b>9.34 cents</b>	22.90 cents







# CONSOLIDATED BALANCE SHEET

As at 31st December 2008



	Note	Unaudited As at 31st December 2008 HK\$'000	Audited As at 30th June 2008 HK\$'000
<b>LIABILITIES</b>			
<b>Non-current liabilities</b>			
Long term borrowings	11	14,095,680	10,253,824
Deferred tax liabilities		510,116	551,554
		<b>14,605,796</b>	10,805,378
<b>Current liabilities</b>			
Creditors and accruals	12	2,124,989	2,313,463
Deposits received on sale of properties		687,504	724,612
Amounts due to group companies		84,077	281,197
Short term bank loans		218,182	449,545
Current portion of long term borrowings	11	1,944,233	3,976,239
Amounts due to minority shareholders	13	348,927	343,306
Taxes payable		413,743	427,563
		<b>5,821,655</b>	8,515,925
<b>Total liabilities</b>		<b>20,427,451</b>	19,321,303
<b>Total equity and liabilities</b>		<b>51,733,643</b>	50,357,809
<b>Net current assets</b>		<b>16,963,882</b>	12,443,887
<b>Total assets less current liabilities</b>		<b>45,911,988</b>	41,841,884

# CONDENSED CONSOLIDATED CASH FLOW STATEMENT

For the six months ended 31st December 2008



	Unaudited	
	6 months ended 31st December	
	2008 HK\$'000	2007 HK\$'000
Net cash used in operating activities	<b>(3,404,016)</b>	(1,373,502)
Net cash generated from / (used in) investing activities	<b>257,964</b>	(221,943)
Net cash generated from / (used in) financing activities	<b>1,490,999</b>	(1,127,704)
Net decrease in cash and cash equivalents	<b>(1,655,053)</b>	(2,723,149)
Cash and cash equivalents at beginning of the period	<b>4,368,149</b>	5,931,761
Exchange differences on cash and cash equivalents	<b>(25,573)</b>	22,819
Cash and cash equivalents at end of the period	<b>2,687,523</b>	3,231,431





# NOTES TO THE INTERIM FINANCIAL STATEMENTS



## 1. BASIS OF PREPARATION

The unaudited condensed consolidated interim financial statements have been prepared in accordance with Hong Kong Accounting Standard 34 “Interim Financial Reporting” issued by the Hong Kong Institute of Certified Public Accountants and Appendix 16 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “Listing Rules”). The unaudited condensed consolidated interim financial statements should be read in conjunction with the 2008 annual financial statements.

The accounting policies and methods of computation used in the preparation of the interim financial statements are consistent with those used in the 2008 annual financial statements.

For the six months ended 31st December 2008, the Group has adopted the following amendments to standard and interpretations which are mandatory for the financial year ending 30th June 2009:

HKAS 39 and HKFRS 7 Amendments	Reclassification of Financial Assets
HK(IFRIC)-Int 12	Service Concession Arrangements
HK(IFRIC)-Int 13	Customer Loyalty Programmes
HK(IFRIC)-Int 14	HKAS 19 – The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction

The adoption of these new amendments and interpretations does not have any impact on the results and financial position or changes in the accounting policies of the Group.

The following new or revised standards, amendments and interpretations are mandatory for accounting periods beginning on or after 1st January 2009 or later periods but which the Group has not early adopted:

Effective for the year ending 30th June 2010

HKFRS 1 (Revised)	First-time Adoption of HKFRS
HKFRS 2 Amendments	Vesting Conditions and Cancellations
HKFRS 3 (Revised) and HKAS 27 (Revised)	Business Combinations and Consolidated and Separate Financial Statements
HKFRS 7 Amendments	Financial Instruments: Disclosures – Improving Disclosures about Financial Instruments
HKFRS 8	Operating Segments
HKFRS 1 (Revised) and HKAS 27 Amendments	Cost of an Investment in a Subsidiary, Jointly Controlled Entity or Associate
HKAS 1 (Revised)	Presentation of Financial Statements
HKAS 23 (Revised)	Borrowing Costs
HKAS 32 and HKAS 1 Amendments	Puttable Financial Instruments and Obligations Arising on Liquidation
HKAS 39 Amendment	Eligible Hedged Items
HK(IFRIC)-Int 15	Agreements for the Construction of Real Estate
HK(IFRIC)-Int 16	Hedges of a Net Investment in Foreign Operation
HK(IFRIC)-Int 17	Distributions of Non-cash Assets to Owners
HK(IFRIC)-Int 18	Transfers of Assets from Customers
HKFRSs Amendments	Improvements to HKFRSs

# NOTES TO THE INTERIM FINANCIAL STATEMENTS



## 1. BASIS OF PREPARATION *(Continued)*

Effective for the year ending 30th June 2010 *(Continued)*

The Group has already commenced an assessment of the impact of these new or revised standards, amendments and interpretations, certain of which are relevant to the Group's operation and will give rise to changes in accounting policies, disclosures and measurement of certain items in the financial statements. However, the Group is not yet in a position to ascertain their impact on its results of operations and financial position.

## 2. REVENUES AND SEGMENT INFORMATION

- (a) The Group is principally engaged in investment and development of property projects in the People's Republic of China ("PRC"). Revenues comprise turnover which include gross proceeds from sale of properties, revenue from rental and hotel operation, property management services fee income and project management fee income.

	<b>6 months ended 31st December</b>	
	<b>2008</b> HK\$'000	2007 HK\$'000
Sale of properties	<b>546,743</b>	902,306
Rental income	<b>190,398</b>	169,809
Income from hotel operation	<b>124,267</b>	135,805
Property management services fee income	<b>33,012</b>	27,187
Project management fee income	<b>14,075</b>	26,316
	<b>908,495</b>	1,261,423

- (b) The Group is organised into four main business segments, comprising property sales, rental operation, hotel operation and property management services. There is no other significant identifiable separate business segment. Segment assets consist primarily of property, plant and equipment, investment properties, land use rights, properties held for/under development, debtors, deposits and other receivables, and completed properties held for sale. They exclude cash and bank balances and financial assets held at corporate office and prepayment for proposed development projects. Segment liabilities comprise mainly creditors and accruals, deposits received on sale of properties and other payables. They exclude bank and other borrowings, taxes payable, other creditors and accruals at corporate office.

No geographical segment analysis is presented as the majority of the assets and operations of the Group are located in the PRC, which is considered as one geographical location in an economic environment with similar risks and returns.



6 months ended 31st December 2008	Property	Rental	Hotel	Property	Other	Total
	sales	operation	operation	management	operations	
	HK\$'000	HK\$'000	HK\$'000	services	HK\$'000	HK\$'000
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
Segment revenues	561,417	215,425	124,267	7,386	—	908,495
Segment results	385,481	(87,605)	(2,044)	(5,100)	(10,122)	280,610
Bank and other interest income						8,378
Corporate expenses						(94,155)
Gain on repurchase of convertible bonds						67,038
Increase in fair value of financial assets at fair value through profit or loss						33,591
Operating profit before finance costs						295,462
Finance costs						(159,484)
Share of results of						
Associated companies	(658)	90,640	(859)	(58)	—	89,065
Jointly controlled entities	43,119	108,491	(25,030)	(1,237)	152	125,495
Profit before taxation						350,538
Taxation charge						(1,795)
Profit for the period						348,743
Capital expenditure	19,236	20,521	4,196	920	1,170	46,043
Depreciation and amortisation	20,487	22,238	36,960	404	1,098	81,187
<b>As at 31st December 2008</b>						
Segment assets	28,024,999	7,828,533	1,016,326	90,890	15,353	36,976,101
Associated companies and jointly controlled entities	5,481,099	7,185,926	780,398	(7,367)	(10,730)	13,429,326
Unallocated assets						1,328,216
Total assets						51,733,643
Segment liabilities	2,685,067	239,074	345,715	30,841	39,237	3,339,934
Unallocated liabilities						17,087,517
Total liabilities						20,427,451

# NOTES TO THE INTERIM FINANCIAL STATEMENTS



## 2. REVENUES AND SEGMENT INFORMATION *(Continued)*

6 months ended 31st December 2007	Property sales HK\$'000	Rental operation HK\$'000	Hotel operation HK\$'000	Property management services HK\$'000	Other operations HK\$'000	Total HK\$'000
Segment revenues	928,622	170,444	135,805	26,552	—	1,261,423
Segment results	885,684	39,401	20,790	4,903	(40,526)	910,252
Bank and other interest income						45,296
Corporate expenses						(66,367)
Net foreign exchange gains						206,520
Operating profit before finance costs						1,095,701
Finance costs						(166,925)
Share of results of						
Associated companies	(1,964)	68,486	(721)	(380)	—	65,421
Jointly controlled entities	(121,964)	146,720	(3,636)	130	96	21,346
Profit before taxation						1,015,543
Taxation charge						(135,683)
Profit for the period						879,860
Capital expenditure	46,051	80,178	130,048	599	972	257,848
Depreciation and amortisation	15,636	19,924	36,013	412	1,130	73,115
As at 30th June 2008						
Segment assets	25,933,989	7,981,902	1,158,941	109,032	14,556	35,198,420
Associated companies and jointly controlled entities	5,535,044	7,051,056	657,075	(6,389)	(10,711)	13,226,075
Unallocated assets						1,933,314
Total assets						50,357,809
Segment liabilities	2,775,503	330,749	423,150	48,026	29,876	3,607,304
Unallocated liabilities						15,713,999
Total liabilities						19,321,303

### 3. OTHER GAINS, NET

	6 months ended 31st December	
	2008 HK\$'000	2007 HK\$'000
Interest income from jointly controlled entities, net of withholding tax (note)	219,796	361,883
Gain on repurchase of convertible bonds	67,038	—
Excess of fair value of net assets acquired over cost of acquisition of interest in subsidiaries	50,940	19,584
Bank interest income	40,258	87,196
Trademark fee income from jointly controlled entities	35,666	—
Increase in fair value of financial assets at fair value through profit or loss	33,591	—
Gain on disposal of subsidiaries	29,141	85,986
Tax indemnity from the ultimate holding company (note 5)	16,658	254,259
Dividend income from available-for-sale financial assets	867	12,500
Net foreign exchange (loss)/gains	(16,836)	213,725
	<b>477,119</b>	<b>1,035,133</b>

Note: The property projects of the Group's jointly controlled entities have been partly financed by the Group in the form of equity capital and unsecured shareholder's advances, majority of which are interest bearing. The Group's attributable share of shareholders' loan interest expenses of jointly controlled entities is included in the share of results of jointly controlled entities as follows:

	6 months ended 31st December	
	2008 HK\$'000	2007 HK\$'000
Share of shareholders' loan interest expenses of jointly controlled entities	(162,610)	(264,385)

### 4. OPERATING PROFIT BEFORE FINANCE COSTS

	6 months ended 31st December	
	2008 HK\$'000	2007 HK\$'000
Operating profit before finance costs is arrived at after crediting:		
Gross rental income from investment properties	130,363	108,832
and after charging:		
Cost of properties sold	363,837	595,991
Staff costs	145,891	109,650
Outgoings in respect of investment properties	53,903	53,668
Depreciation of property, plant and equipment	76,526	66,227
Rental for leased premises	27,392	27,962
Amortisation of land use rights	4,661	6,888
Loss on disposal of property, plant and equipment	—	3,263

# NOTES TO THE INTERIM FINANCIAL STATEMENTS



## 5. TAXATION CHARGE

	6 months ended 31st December	
	2008 HK\$'000	2007 HK\$'000
Current taxation		
PRC enterprise income tax	16,802	42,392
PRC land appreciation tax	19,869	53,980
Deferred taxation	(34,876)	39,311
	1,795	135,683

Share of taxation of associated companies and jointly controlled entities for the six months ended 31st December 2008 are HK\$28,111,000 (2007: HK\$6,825,000) and HK\$21,583,000 (2007: HK\$302,958,000) respectively and are included in the consolidated income statement as share of results of associated companies and jointly controlled entities.

No provision for Hong Kong profits tax has been made within the Group as the Group has no assessable profits in Hong Kong for the period (2007: Nil). PRC income tax has been provided on the estimated assessable profits of subsidiaries, associated companies and jointly controlled entities operating in the PRC at 25% (2007: 33%). PRC land appreciation tax is provided at progressive rates ranging from 30% to 60% on the appreciation of land value, being the proceeds of sale of properties less deductible expenditures including costs of land use rights and property development expenditures.

In July 1999, a deed of tax indemnity was entered into between New World Development Company Limited ("NWD"), the ultimate holding company and the Company whereby the ultimate holding company undertakes to indemnify the Group in respect of, inter alia, certain PRC income tax ("IT") and land appreciation tax ("LAT") payable in consequence of the disposal of certain properties held by the Group as at 31st March 1999. During the period, tax indemnity amounting to HK\$16,658,000 (2007: HK\$254,259,000) was effected.

## 6. INTERIM DIVIDEND

The directors have not declared an interim dividend for the six months ended 31st December 2008 (2007: HK\$0.04 per share).



## 7. EARNINGS PER SHARE

The calculation of basic and diluted earnings per share for the period is based on the following:

	6 months ended 31st December	
	2008 HK\$'000	2007 HK\$'000
Profit attributable to equity holders of the Company	374,165	919,588
Interest expense on convertible bonds	16,198	39,664
Profit used to determine diluted earnings per share	390,363	959,252

	Number of shares 6 months ended 31st December	
	2008	2007
Weighted average number of shares for calculating basic earnings per share	3,834,583,210	3,832,614,694
Effect of dilutive potential shares:		
Share options	625,899	2,212,297
Convertible bonds	346,155,186	353,458,093
Weighted average number of shares for calculating diluted earnings per share	4,181,364,295	4,188,285,084

## 8. CAPITAL EXPENDITURE

For the six months ended 31st December 2008, the Group acquired property, plant and equipment, investment properties and land use rights of HK\$46,043,000 (2007: HK\$257,848,000).

## 9. DEBTORS, DEPOSITS AND OTHER RECEIVABLES

Debtors, deposits and other receivables include trade debtors, utility and other deposits, interest and other receivables and prepayments for land cost and proposed development projects. The ageing analysis of trade debtors is as follows:

	As at 31st December 2008 HK\$'000	As at 30th June 2008 HK\$'000
	0 to 30 days	45,970
31 to 60 days	19,244	24,215
61 to 90 days	5,375	57,848
Over 90 days	186,983	121,892
	257,572	367,768

# NOTES TO THE INTERIM FINANCIAL STATEMENTS



## 9. DEBTORS, DEPOSITS AND OTHER RECEIVABLES *(Continued)*

Sales proceed receivables in respect of sale of properties are settled in accordance with the instalment schedules as stipulated in the sale and purchase agreements. Monthly rental in respect of rental properties are payable in advance by tenants in accordance with the lease agreements. Monthly property management fees are payable in advance in accordance with the agreements.

## 10. SHARE CAPITAL

	As at 31st December 2008 HK\$'000	As at 30th June 2008 HK\$'000
Authorised:		
8,000,000,000 shares of HK\$0.1 each	<b>800,000</b>	800,000
Issued and fully paid:		
3,834,607,132 shares of HK\$0.1 each (30th June 2008: 3,834,502,332 shares of HK\$0.1 each)	<b>383,461</b>	383,450

Details of the movement in the issued share capital of the Company are summarised as follows:

	Number of shares of HK\$0.1 each	HK\$'000
At 30th June 2007	3,830,365,632	383,036
Exercise of share options	4,136,700	414
At 30th June 2008	3,834,502,332	383,450
Exercise of share options (note(i))	104,800	11
<b>At 31st December 2008</b>	<b>3,834,607,132</b>	<b>383,461</b>

- (i) Pursuant to the share option scheme adopted on 26th November 2002, the Company may grant options to executive directors and employees of the Company to subscribe for shares in the Company. The movements in the number of share options granted during the period and the balance outstanding at 31st December 2008 are as follows:

Date of offer to grant	Exercise price per share HK\$	Number of share options				At 31st December 2008
		At 1st July 2008	Granted during the period	Exercised during the period	Lapsed during the period	
25th March 2004	2.252 <sup>(1)</sup>	330,600	—	—	—	330,600
18th June 2004	1.650 <sup>(1)</sup>	104,800	—	(104,800)	—	—
4th November 2004	2.484 <sup>(1)</sup>	121,200	—	—	—	121,200
22nd December 2004	2.689 <sup>(1)</sup>	49,800	—	—	—	49,800
13th July 2005	2.300 <sup>(1)</sup>	203,600	—	—	—	203,600
7th November 2005	2.620 <sup>(1)</sup>	20,000	—	—	—	20,000
28th March 2006	3.915 <sup>(1)</sup>	2,103,600	—	—	(124,000)	1,979,600
28th June 2006	2.865 <sup>(1)</sup>	389,600	—	—	—	389,600
17th October 2006	3.340 <sup>(1)</sup>	464,400	—	—	—	464,400
28th December 2006	4.712 <sup>(1)</sup>	1,002,000	—	—	—	1,002,000
19h March 2007	4.500 <sup>(1)</sup>	735,200	—	—	—	735,200
14th June 2007	6.710 <sup>(1)</sup>	1,922,400	—	—	(221,200)	1,701,200
17th October 2007	8.070 <sup>(1)</sup>	1,709,200	—	—	(248,400)	1,460,800
28th December 2007	6.972 <sup>(1)</sup>	1,102,400	—	—	(232,400)	870,000
28th December 2007	6.972 <sup>(2)</sup>	13,180,000	—	—	(120,000)	13,060,000
22nd April 2008	5.260 <sup>(1)</sup>	868,800	—	—	—	868,800
31st July 2008	3.662 <sup>(1)</sup>	—	1,758,800	—	(265,600)	1,493,200
12th November 2008	1.682 <sup>(1)</sup>	—	1,203,600	—	—	1,203,600
2nd December 2008	1.500 <sup>(3)</sup>	—	1,688,000	—	—	1,688,000
2nd December 2008	1.500 <sup>(4)</sup>	—	15,944,000	—	—	15,944,000
2nd December 2008	1.500 <sup>(1)</sup>	—	2,368,000	—	—	2,368,000
		24,307,600	22,962,400	(104,800)	(1,211,600)	45,953,600

Exercisable period:

- (1) On dates of grant, the share options are divided into 5 tranches and exercisable within a period of 5 years commencing on the expiry of one month after the dates on which the options were accepted.
- (2) On dates of grant, the share options are divided into 3 tranches and exercisable within a period of 3 years commencing on the expiry of one month after the dates on which the options were accepted.
- (3) On dates of grant, the share options are divided into 2 tranches and exercisable within a period of 2 years commencing on the expiry of one month after the dates on which the options were accepted.
- (4) On dates of grant, the share options are divided into 4 tranches and exercisable within a period of 4 years commencing on the expiry of one month after the dates on which the options were accepted.

# NOTES TO THE INTERIM FINANCIAL STATEMENTS



## 11. LONG TERM BORROWINGS

	As at 31st December 2008 HK\$'000	As at 30th June 2008 HK\$'000
Bank loans (note (i))		
Secured	2,534,026	1,939,514
Unsecured	6,984,240	5,514,279
Loans from fellow subsidiaries (note (ii))	2,893,667	2,888,292
Loans from minority shareholders (note (iii))	140,260	137,135
Advances from participating interest (note (iv))	869,376	929,760
Convertible bonds (note (v))	2,618,344	2,821,083
	<b>16,039,913</b>	14,230,063
Current portion included in current liabilities	<b>(1,944,233)</b>	(3,976,239)
	<b>14,095,680</b>	10,253,824

Notes:

(i) The bank loans are repayable as follows:

	Secured		Unsecured		Total	
	As at 31st December 2008 HK\$'000	As at 30th June 2008 HK\$'000	As at 31st December 2008 HK\$'000	As at 30th June 2008 HK\$'000	As at 31st December 2008 HK\$'000	As at 30th June 2008 HK\$'000
Within one year	437,464	326,614	1,243,409	1,118,182	1,680,873	1,444,796
Between one and two years	510,898	538,600	2,245,191	1,758,078	2,756,089	2,296,678
Between two and five years	1,585,664	1,074,300	3,495,640	2,638,019	5,081,304	3,712,319
	<b>2,534,026</b>	1,939,514	<b>6,984,240</b>	5,514,279	<b>9,518,266</b>	7,453,793

(ii) The loans from fellow subsidiaries are repayable as follows:

	As at 31st December 2008 HK\$'000	As at 30th June 2008 HK\$'000
Within one year	263,360	2,531,443
Between one and two years	36,234	356,849
Between two and five years	2,594,073	—
	<b>2,893,667</b>	2,888,292

The loans from fellow subsidiaries are unsecured and bear interest at rates ranging from three months Hong Kong Interbank Offered Rate ("HIBOR") to 1.35% above London Interbank Offered Rate ("LIBOR") (30th June 2008: three months HIBOR to 1.35% above LIBOR) per annum.



- (iii) The loans from minority shareholders are unsecured, bear interest at 5% to 5.76% (30th June 2008: 5% to 5.76%) per annum and have repayment terms as specified in the joint venture contracts.
- (iv) The advances from participating interest, which is a fellow subsidiary, of certain property projects are unsecured, interest free and repayable in accordance with the terms as specified in the agreements entered into between the Group and the participating interest.
- (v) In June 2007, a subsidiary of the Company issued USD settled zero coupon guaranteed convertible bonds in the aggregate amount of RMB2,800,000,000, which are convertible into fully paid shares with par value of HK\$0.1 each of the Company.

The bonds, guaranteed by the Company, are convertible into shares of the Company at a conversion price of HK\$8.044 per share at any time on and after 26th June 2007 up to 26th May 2012, with the Renminbi principal amount of the bond translated into Hong Kong dollar at a fixed rate of HK\$1=RMB0.9848, subject to adjustments according to the terms governing the convertible bonds. The bonds are redeemable by the issuer at any time on or after 11th June 2010 at the option of the issuer, subject to the terms governing the convertible bonds. Moreover, the bondholders have the option to require the issuer to redeem all or some of the bonds held by them on 11th June 2010 at 102.27% of the principal amount. Unless previously redeemed, converted or purchased and cancelled, the bonds will be redeemed on the maturity date on 11th June 2012 at 103.81% of the principal amount.

During the period, the Group repurchased principal amount of RMB250,000,000 of convertible bonds (30th June 2008: Nil).

## 12. CREDITORS AND ACCRUALS

Creditors and accruals include trade creditors, retention payables of construction costs, other payables and various accruals. The ageing analysis of trade creditors is as follows:

	As at 31st December 2008 HK\$'000	As at 30th June 2008 HK\$'000
0 to 30 days	671,600	348,988
31 to 60 days	37,440	55,401
61 to 90 days	15,723	4,531
Over 90 days	725,323	1,068,239
	<b>1,450,086</b>	<b>1,477,159</b>

## 13. AMOUNTS DUE TO MINORITY SHAREHOLDERS

The amounts due to minority shareholders are unsecured, interest free and repayable on demand.

# NOTES TO THE INTERIM FINANCIAL STATEMENTS



## 14. GUARANTEES

### (i) Corporate guarantees for banking facilities

The Group has corporate guarantees of approximately HK\$2,517,095,000 (30th June 2008: HK\$2,350,081,000) given in respect of bank loan facilities extended to certain associated companies and jointly controlled entities. As at 31st December 2008, the Group's attributable portion of the outstanding amount under these bank loan facilities granted to the associated companies and jointly controlled entities was approximately HK\$1,636,501,000 (30th June 2008: HK\$1,575,223,000).

### (ii) Guarantees in respect of mortgage facilities

As at 31st December 2008, the Group had provided guarantees in respect of mortgage facilities granted by certain banks relating to the mortgage loans arranged for certain purchasers of properties developed by certain subsidiaries of the Group and the outstanding mortgage loans under these guarantees amounted to HK\$1,170,455,000 (30th June 2008: HK\$995,605,000). Pursuant to the terms of the guarantees, upon default in mortgage payments by these purchasers, the Group is responsible to repay the outstanding mortgage principals together with accrued interest owed by the defaulted purchasers to the banks and the Group is entitled to take over the legal title and possession of the related properties.

## 15. COMMITMENTS

### Capital expenditure commitments

(a) The capital expenditure commitments of the Group are as follows:

	As at 31st December 2008 HK\$'000	As at 30th June 2008 HK\$'000
Authorised but not contracted for		
Purchase consideration for a proposed development project	<b>108,000</b>	108,000
Contracted but not provided for		
Property, plant and equipment	<b>23,922</b>	25,256
Purchase consideration for development projects	<b>124,319</b>	40,455
	<b>148,241</b>	65,711
	<b>256,241</b>	173,711

(b) The Group did not have any share of capital commitments of the jointly controlled entities (30th June 2008: Nil).

## 16. BUSINESS COMBINATIONS

In July 2008, the Group acquired additional 40% equity interest in Haikou New World Housing Development Limited (“Haikou New World”) without consideration as a result of the withdrawal of the joint venture partner of Haikou New World from the co-operative joint venture entity. As a result, Haikou New World became a wholly owned subsidiary of the Group. Details of net assets acquired and the excess of fair value of net assets acquired over cost of acquisition of the subsidiary are as follows:

	HK\$'000
Purchase consideration	—
Fair value of net assets acquired	50,940
Excess of fair value of net assets acquired over cost of acquisition of a subsidiary	50,940

Net assets acquired:

	Fair value HK\$'000	Acquiree's carrying amount HK\$'000
Property, plant and equipment	1,154	1,154
Debtors, deposits and other receivables	42,356	42,356
Properties under development	125,000	104,732
Completed properties held for sale	39,773	25,999
Cash and bank balances, unrestricted	108,846	108,846
Creditors and accruals	(50,919)	(50,919)
Balances with group companies	(8,541)	(8,541)
Taxes payable	(5,551)	(5,551)
Deferred tax liabilities	(8,510)	—
	243,608	218,076
Interest originally held by the Group as a jointly controlled entity	(178,347)	
Other reserve arising from fair value adjustments of previously held interest	(14,321)	
Net assets acquired	50,940	

Since the date of acquisition, Haikou New World contributed revenues of approximately HK\$18,745,000 and profit of approximately HK\$2,634,000. If the acquisition had occurred on 1st July 2008, there would not have been material effect on the Group's revenue and profit for the period.

The Group has benefited from the appreciation in the fair value of the acquired net assets over the years. Therefore, excess of fair value of net assets acquired over cost of acquisition of interests in the subsidiary was resulted.



# NOTES TO THE INTERIM FINANCIAL STATEMENTS



## 17. RELATED PARTY TRANSACTIONS

### (i) Transactions with related parties

The following is a summary of significant related party transactions carried out by the Group during the period in the normal course of its business:

	6 months ended 31st December	
	2008 HK\$'000	2007 HK\$'000
Interest expense on loans from fellow subsidiaries	<b>31,694</b>	55,804
Rental expense for leased premises to fellow subsidiaries	<b>3,940</b>	3,334
Rental expense for leased premises to associated companies	<b>17,614</b>	16,949
Property agency fee paid to a fellow subsidiary	<b>861</b>	4,228
Interest income from jointly controlled entities	<b>245,458</b>	402,066
Estate management fee income from fellow subsidiaries and jointly controlled entities	<b>3,004</b>	28,596
Rental income from fellow subsidiaries	<b>34,689</b>	39,606
Rental income from an associated company	<b>3,409</b>	3,125
Trademark fee income from jointly controlled entities	<b>35,666</b>	—

These related party transactions were in accordance with the terms as disclosed in the 2008 annual financial statements.

- (ii) Total fees for the provision of project management, construction and engineering consultancy services in respect of certain of the Group's property projects and payable to certain fellow subsidiaries for the period amounted to HK\$968,992,000 (2007: HK\$184,533,000). Such fees are charged at fixed amounts in accordance with the terms of the respective contracts.
- (iii) A deed of tax indemnity was entered into between the ultimate holding company and the Company whereby the ultimate holding company undertakes to indemnify the Group in respect of IT and LAT payable in consequence of the disposal of certain properties held by the Group as at 31st March 1999. During the period, tax indemnity amounting to HK\$16,658,000 (2007: HK\$254,259,000) was effected.



## CONTINUING OBLIGATIONS UNDER CHAPTER 13 OF THE LISTING RULES

### (A) Advances and guarantees to entities

In accordance with the requirements under rule 13.20 of the Listing Rules, the directors of the Company reported that none of the entities of which the Group made advances and guarantees individually exceeded 8% of the Company's total asset value as at 31st December 2008.

### (B) Financial assistance and guarantees to affiliated companies

As at 31st December 2008, the Group had made loans and advances totalling HK\$8,723,692,000 to affiliated companies, guaranteed bank loans and other borrowing facilities for the benefit of affiliated companies in the amount of HK\$2,517,095,000. These amounts in aggregate exceed 8% of the Company's total asset value as at 31st December 2008. In accordance with the requirement under rule 13.22 of the Listing Rules, a proforma combined balance sheet of those affiliated companies with financial assistance from the Group and the Group's attributable interest in those affiliated companies as at 31st December 2008 are presented below:

	<b>Proforma combined balance sheet</b>	<b>Group's attributable interests</b>
	HK\$'000	HK\$'000
Non-current assets	20,637,423	12,721,274
Current assets	17,726,450	14,863,196
Current liabilities	(10,600,841)	(7,096,771)
Non-current liabilities	(7,448,969)	(4,571,237)
Shareholders' loans and advances	(8,871,667)	(8,723,692)
	11,442,396	7,192,770

### (C) Banking facilities with covenants relating to specific performance of the controlling shareholder

In accordance with the requirements under rule 13.21 of the Listing Rules, the directors of the Company reported below details of loan facilities, which exist at any time during the period and include conditions relating to specific performance of the controlling shareholder of the Company.

On 12th June 2006 and 13th June 2006, the Company was granted loan facilities of up to HK\$800,000,000 and HK\$300,000,000 for a term of 4 years and 3 years, respectively to fund the general corporate funding requirement of the Company and its subsidiaries, including refinancing the Company's existing loans.

On 8th June 2006, New World China Land Investment Company Limited, a wholly-owned subsidiary of the Company, was granted a 3-year term loan facility of RMB300,000,000 to finance the capital investment in its property projects in the PRC. On 30th October 2007 and 28th December 2007, New World China Finance (BVI) Limited ("NWCF") and Superb Wealthy Group Limited ("Superb Wealthy"), wholly-owned subsidiaries of the Company, were granted 5-year term/revolving loan facilities of HK\$2,700,000,000 and HK\$700,000,000, respectively. On 30th September 2008 and 16th October 2008, Superb Wealthy was further granted 3-year term loan facilities of HK\$700,000,000 and HK\$400,000,000, respectively. The facilities obtained by NWCF and Superb Wealthy will be utilised to finance the general working capital requirement of the Company and its subsidiaries.

Upon the granting of the above loan facilities, the Company undertook to the lenders that NWD would retain an interest of at least 51% in the issued share capital of the Company, or would maintain 51% of the voting rights attached to the issued share capital of the Company throughout the terms of the facilities. Failure to perform the undertaking will constitute an event of default. If the event of default continues and has not been waived by the lenders, the outstanding liability under the loan facilities will become immediately due and payable and the loan facilities will be terminated.



## UPDATE ON DIRECTORS' INFORMATION

Mr. Cheng Chi-kong, Adrian, Executive Director of the Company, was appointed Honorary Chairman of Fundraising Committee, Wu Zhi Qiao (Bridge to China) Charitable Foundation in March 2009.

## INTERIM DIVIDEND

The directors have not declared interim dividend for the six months ended 31st December 2008 (2007: HK\$0.04 per share).

## AUDIT COMMITTEE

Audit committee was established in accordance with requirements of the Listing Rules for the purposes of reviewing and providing supervision over the Group's financial reporting process and internal controls. The audit committee consists of three independent non-executive directors of the Company. The audit committee has reviewed the unaudited interim financial statements and discussed the financial related matters with management. At the request of the directors, the Group's external auditors have carried out a review of the interim financial statements in accordance with Hong Kong Standard on Review Engagements 2410 issued by the Hong Kong Institute of Certified Public Accountants.

## CODE ON CORPORATE GOVERNANCE PRACTICES

The Company has complied with the Code of Corporate Governance Practices contained in Appendix 14 to the Listing Rules during the six months ended 31st December 2008, except for the following deviations:

### Code provision A.2.1

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

Dr. Cheng Kar-shun, Henry acts as the Chairman and Managing Director of the Company. He is responsible for effective running of the board and formulating business strategies. He also provides leadership for effective running of the Company's business and implementing the policies devised by the board. The board believes that Dr. Cheng Kar-shun, Henry, in his dual capacity as the Chairman and Managing Director of the Company, can provide strong and consistent leadership for the development of the Group.

### Code provision A.5.4

The code provision A.5.4 provides that there should be written guidelines on no less exacting terms than the Model Code for Securities Transaction by Directors of Listed Issuers set out in Appendix 10 to the Listing Rules for relevant employees in respect of their dealing in the securities of the issuer.

The Company has not established guideline for employees as required under the code provision, instead, the relevant provisions for insider dealing as set out in the Securities and Futures Ordinance have been included in the in-house "Human Resources & Administration Manual" so that the employees are reminded of their obligation under the Ordinance.

## MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (“Model Code”) in Appendix 10 to the Listing Rules as the code of conduct regarding directors’ securities transactions. The Company has confirmed with the directors that they have complied with the standard set out in the Model Code during the period under review.

## EMPLOYEES AND REMUNERATION POLICY

As at 31st December 2008, the Group has 4,543 full-time employees. Total staff related costs incurred during the period under review were HK\$146 million (2007: HK\$109 million), of which retirement benefits were included. Remuneration of employees is reviewed annually based on assessment of individual performance. Discretionary year-end bonus was paid to employees based on individual performance.

## MAJOR ACQUISITION OR DISPOSAL

There was no major acquisition or disposal undertaken by the Group during the period under review.

## PURCHASE, SALE OR REDEMPTION OF THE COMPANY’S LISTED SECURITIES

On 14th October 2008, New World China Land Finance Limited, an indirect wholly-owned subsidiary of the Company, repurchased the USD settled zero coupon guaranteed convertible bonds due in 2011 (“Bonds”) (stock code : 01517) issued by itself. Details of the repurchase were as follows:

<b>Units of Bonds purchased</b>	<b>Method of purchase</b>	<b>Aggregate price paid</b>
2,500 units of Bonds with face value of RMB100,000 each	Off market	USD24,904,775.86

The Bonds repurchased have been cancelled during the period. Save as disclosed above, neither the Company nor any of its subsidiaries has purchased, sold or redeemed any of the Company’s listed securities.

On behalf of the Board

**Dr. Cheng Kar-shun, Henry**

*Chairman and Managing Director*

Hong Kong, 17th March 2009



# CORPORATE INFORMATION



<b>Chairman and Managing Director</b>	Dr. Cheng Kar-shun, Henry
<b>Vice-chairman</b>	Mr. Doo Wai-hoi, William
<b>Executive Directors</b>	Mr. Cheng Kar-shing, Peter Mr. Cheng Chi-kong, Adrian Mr. Leung Chi-kin, Stewart Mr. Chow Kwai-cheung Mr. Chow Yu-chun, Alexander Mr. Fong Shing-kwong, Michael Ms. Ngan Man-ying, Lynda
<b>Non-executive Director</b>	Mr. Fu Sze-shing
<b>Independent Non-executive Directors</b>	Mr. Cheng Wai-chee, Christopher Mr. Tien Pei-chun, James Mr. Lee Luen-wai, John
<b>Company Secretary</b>	Ms. Ngan Man-ying, Lynda
<b>Auditors</b>	PricewaterhouseCoopers
<b>Principal Bankers</b>	Hang Seng Bank Limited Bank of China (Hong Kong) Limited The Bank of East Asia, Limited The Hongkong and Shanghai Banking Corporation Limited Industrial and Commercial Bank of China (Asia) Limited
<b>Share Registrar and Transfer Office</b>	Tricor Standard Limited 26/F., Tesbury Centre 28 Queen's Road East Hong Kong
<b>Head Office</b>	9/F., New World Tower 1 18 Queen's Road Central Hong Kong
<b>Stock Code</b>	Hong Kong Stock Exchange 00917
<b>Investor Information</b>	For more information about the Group, please contact the Corporate Communications Department at: New World China Land Limited 9/F., New World Tower 1 18 Queen's Road Central Hong Kong Tel: (852) 2131 0201 Fax: (852) 2131 0216 Email: enquiry@nwcl.com.hk
<b>Website</b>	<a href="http://www.nwcl.com.hk">www.nwcl.com.hk</a>





## New World China Land Limited

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