



# Strong Economy

Strong Market Position

**New World China Land  
is well placed to take  
advantage of China's  
improving economy.**

### **At New World China Land, Our Focus Has Always Been Very Clear:**

To accelerate our property development schedule across the country to capture the upturn in the PRC property market.

To grow our rental properties portfolio base in view of the increasing need for quality offices, hotels, service apartments and retail malls in the most economically vibrant cities of China.

We believe that New World China Land is well placed to take advantage of China's improving economy and that the years to come will see the harvest of our long-term investment strategy.

### **Our Strategic Position**

A number of factors are contributing to our strong strategic position. We have the largest land bank owned by any foreign property developer. We therefore stand to benefit greatly from the ongoing housing and banking reform policies that are being implemented by the government. Since our developments are located in the high-growth areas of China, such as Beijing, Shanghai, Guangzhou and the Pearl River Delta, we are excellently placed to sell both our high-quality mass residential units and our luxury developments to buyers with increasing disposable incomes.

**New World name  
attracts considerable  
recognition  
throughout China.**

### **Improving Economy on Solid Ground = Growth of Demand**

We expect the demand for our properties will grow in the years to come. China's economic future looks more promising than that of many developed countries, which are struggling with economic slowdown. China's imminent entry into the WTO and Beijing's successful application to host the Olympic Games in 2008 will attract an influx of foreign capital and stimulate enormous investment in public infrastructure facilities, hotels, offices and residential buildings.

### **The Quality Factor**

As the China property market continues to develop, the demand for housing is also shifting from the concept of a simple roof over the head to a higher awareness of the need for comfortable and spacious living environments with convenient facilities. Brand name, high quality of housing and quality property management services are becoming key competitive factors in the market.

Again we find ourselves in the right place, at the right time. Over the past two years, we have focused on developing a high level of brand recognition in the market. Indeed, the New World name attracts considerable recognition throughout China. Through our long-term commitment to bringing quality housing to meet local demand, we have built not only a strong market presence, but also strong local operational, business and financial expertise.

Above all, we have become widely known for offering quality design and quality control of construction. Our strategy of introducing high technology to our developments, such as broadband services and Intelligent Home Systems, has also helped us to enhance our brand recognition. This, in turn, has enabled us to achieve growth on our property sales turnover this year and we fully expect it to do so in the coming years.

### **Reaping the Harvest**

Going forward, we have a detailed plan in place. By continuing to focus on developing quality residential communities, we expect to realise the value of our assets at a steadily gathering pace. This expectation is based on the potential for increasing income from our investment properties. We stand poised to enjoy the potential of China's vast market and to reap the benefits for our shareholders for many years to come.

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

*Chairman and Managing Director*

Hong Kong, 10 October 2001

**We stand poised to  
enjoy the potential of  
China's vast market.**