

Condensed Consolidated Interim Financial Statements

The Board is pleased to present the unaudited consolidated results of the Group for the six months ended 30 June 2006 together with comparative figures as follows. These interim financial statements have not been audited, but have been reviewed by the Company's Audit Committee and the Company's auditors, PricewaterhouseCoopers.

CONDENSED CONSOLIDATED BALANCE SHEET

AS AT 30 JUNE 2006

	Note	(Unaudited) 30 June 2006 RMB'000	(Audited) 31 December 2005 RMB'000
ASSETS			
Non-current assets			
Property, plant and equipment	4	3,943,053	3,254,452
Investment property	4	2,290,000	1,883,000
Land use rights	4	1,452,482	1,695,939
Intangible assets	4	545,291	607,291
Associated companies	7	146,960	150,220
Jointly controlled entity	8	488	500
Deferred income tax assets	15	154,952	76,484
Other non-current assets	5	585,284	577,087
		9,118,510	8,244,973
Current assets			
Land use rights under development	4	2,702,377	2,300,593
Properties under development	6	3,895,900	3,403,545
Completed properties held for sale	6	286,734	302,640
Trade and other receivables and prepayments	9	447,071	482,575
Prepaid income taxes		143,013	96,737
Amounts due from related companies	10	—	111
Restricted cash	11	59,316	29,129
Cash and cash equivalents	11	1,207,723	704,680
		8,742,134	7,320,010
Total assets		17,860,644	15,564,983
OWNERS' EQUITY			
Capital and reserves attributable to the equity holders of the Company			
Share capital	12	247,309	—
Reserves	13	5,513,091	2,510,218
Total equity		5,760,400	2,510,218

Condensed Consolidated Interim Financial Statements

CONDENSED CONSOLIDATED BALANCE SHEET (CONTINUED)

AS AT 30 JUNE 2006

	Note	(Unaudited) 30 June 2006 RMB'000	(Audited) 31 December 2005 RMB'000
LIABILITIES			
Non-current liabilities			
Borrowings	14	2,783,027	1,913,404
Deferred income tax liabilities	15	1,095,309	967,982
		3,878,336	2,881,386
Current liabilities			
Trade and other payables	16	3,962,098	3,943,718
Advanced proceeds received from customers		3,515,951	4,132,430
Amounts due to related companies	10	—	1,266,965
Income tax payable		193,496	105,972
Borrowings	14	550,363	724,294
		8,221,908	10,173,379
Total liabilities		12,100,244	13,054,765
Total equity and liabilities		17,860,644	15,564,983
Net current assets/(liabilities)		520,226	(2,853,369)
Total assets less current liabilities		9,638,736	5,391,604

Condensed Consolidated Interim Financial Statements

CONDENSED CONSOLIDATED INCOME STATEMENT

FOR THE SIX MONTHS ENDED 30 JUNE 2006

	Note	(Unaudited)	
		Six months ended 30 June	
		2006	2005
		RMB'000	RMB'000
Turnover	3	2,191,468	181,539
Cost of sales	18	(1,432,645)	(114,551)
Gross profit		758,823	66,988
Fair value gains on an investment property		407,000	464,139
Other gains	17	35,313	36,687
Selling and marketing costs	18	(66,544)	(24,666)
Administrative expenses	18	(139,087)	(79,638)
Other operating expenses	18	(71,835)	(4,056)
Operating profit		923,670	459,454
Finance costs	19	(8,272)	(7,703)
Share of results of:			
— Associated companies	7	(3,260)	19,269
— Jointly controlled entity	8	(12)	—
Profit before income tax		912,126	471,020
Income tax expense	20	(208,514)	(159,711)
Profit for the period		703,612	311,309
Attributable to:			
Equity holders of the Company		703,612	305,813
Minority interests		—	5,496
		703,612	311,309
Dividends	21	—	—
Earnings per share for profit attributable to the equity holders of the Company			
— basic (RMB cents)	22	30.9	17.1
— diluted (RMB cents)	22	30.9	—

Condensed Consolidated Interim Financial Statements

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

FOR THE SIX MONTHS ENDED 30 JUNE 2006

	(Unaudited)			Total RMB'000
	Attributable to the equity holders of the Company		Minority interests	
	Share capital RMB'000	Reserves RMB'000 (Note 13)	RMB'000	
Balance at 1 January 2006	—	2,510,218	—	2,510,218
Profit for the period	—	703,612	—	703,612
Issue of shares for the Reorganisation (Notes 1 and 12(ii))	185,787	(185,787)	—	—
Issue of shares for settlement of debts (Note 12(iii))	22,093	892,578	—	914,671
Issue of shares to financial investors (Note 12(iv))	39,429	1,592,922	—	1,632,351
Share issuing expenses	—	(4,062)	—	(4,062)
Employee share option scheme — value of employee services	—	3,610	—	3,610
	247,309	3,002,873	—	3,250,182
Balance at 30 June 2006	247,309	5,513,091	—	5,760,400
Balance at 1 January 2005	—	1,914,315	535,154	2,449,469
Acquisition of additional interests in subsidiaries	—	—	(119,929)	(119,929)
Profit for the period	—	305,813	5,496	311,309
	—	305,813	(114,433)	191,380
Balance at 30 June 2005	—	2,220,128	420,721	2,640,849

Condensed Consolidated Interim Financial Statements

CONDENSED CONSOLIDATED CASH FLOW STATEMENT

FOR THE SIX MONTHS ENDED 30 JUNE 2006

	(Unaudited)	
	Six months ended 30 June	
	2006	2005
	RMB'000	RMB'000
Net cash (outflow)/inflow from operating activities	(399,097)	730,345
Net cash outflow from investing activities	(1,069,548)	(898,235)
Net cash inflow/(outflow) from financing activities	1,971,688	(523,855)
Increase/(decrease) in cash and cash equivalents	503,043	(691,745)
Cash and cash equivalents at 1 January	704,680	1,088,126
Cash and cash equivalents at 30 June	1,207,723	396,381