



# 远洋地产

遠洋地產控股有限公司  
Sino-Ocean Land Holdings Limited

(Incorporated in Hong Kong with limited liability under the Hong Kong Companies Ordinance)  
(Stock Code:03377)

## 2011 Interim Report

### Progress with Prudence Strategize with Foresight







# Ocean Manor | Beijing





# Ocean City | Zhongshan







# Ocean Plaza | Dalian

## About Us

Sino-Ocean Land is one of the leading property developers in Beijing and the Pan-Bohai Rim Area and actively implementing our national strategic plan with a coastal and riparian focus. We focus on developing mid-to-high end residential properties, A-grade office premises, retails, serviced apartments and hotels. We have over 57 development projects in various stages of development in highgrowth cities across the country, including Beijing, Tianjin, Dalian, Shenyang, Fushun, Qingdao, Qinhuangdao and Changchun in the Pan-Bohai Rim Area, Shanghai, Zhenjiang and Hangzhou of the Yangtze River Delta, Zhongshan of the Pearl River Delta, Wuhan, Chongqing and Chengdu of Middle-west region and several tourist spot cities including Huangshan, Haikou and Sanya.

On the back of its dedication to high-quality products and professional services, Sino-Ocean Land has built up a strong brand in Beijing, the Pan-Bohai Rim Area and the Pearl River Delta regions. As of 30 June 2011 total landbank was about 24 million sq.m. and about 74% of the landbank was located in the Pan-Bohai Rim Area.

# No.1

sales in Beijing for first half of 2011



Ocean LA VIE



POETRY OF RIVER



Ocean Great  
Harmony



Ocean Landscape  
Eastern Area



INDIGO

Sino-Ocean's contracted sales in  
first half of 2011 reached

# 12.3

RMB  
billion



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# No.1

market share in Dalian  
in first half of 2011



# Highest

contracted sales  
amount in Zhongshan  
in first half of 2011







# PROSPEROUS FUTURE

Ocean Worldview (Dalian)





# Financial Highlights

## Six months ended 30 June (unaudited)

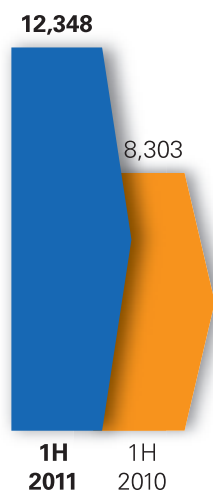
(RMB million)	2011	2010	% changes
Contracted sales	<b>12,348</b>	8,303	49%
Revenue	<b>7,904</b>	4,753	66%
Gross profit	<b>2,340</b>	1,206	94%
Profit before income tax	<b>1,974</b>	1,610	23%
Profit for the period	<b>1,098</b>	1,156	-5%
Profit attributable to equity holders of the Company	<b>1,096</b>	1,152	-5%
Earnings per share (RMB)			
– basic	<b>0.15</b>	0.20	-25%
– diluted	<b>0.15</b>	0.20	-25%
Dividend per share (HKD)	<b>0.05</b>	0.05	—
Dividend payout ratio	<b>21%</b>	21%	—
Gross profit margin	<b>30%</b>	25%	5%pts
Net profit margin	<b>14%</b>	24%	-10%pts
Saleable GFA sold (sq.m.)	<b>835,609</b>	625,955	33%
Saleable GFA delivered (sq.m.)	<b>680,689</b>	422,186	61%

(RMB million)	As at 30 June 2011 (unaudited)	As at 31 December 2010 (audited)	% changes
Total assets	<b>97,761</b>	92,730	5%
Equity attributable to equity holders of the Company	<b>34,391</b>	31,071	11%
Cash resources*	<b>12,194</b>	15,035	-19%
Current ratio	<b>2.2</b>	2.2	-
Net Gearing ratio*	<b>47%</b>	46%	1%pt
Landbank (sq.m.)	<b>23,898,000</b>	20,608,000	16%

\* Including the restricted bank deposits

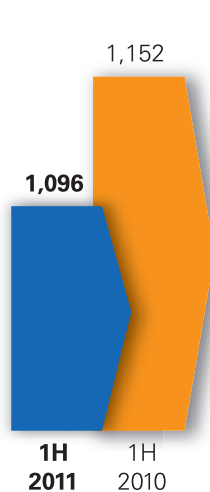
### Contracted sales

(RMB million)



### Profit attributable to equity holders of the Company

(RMB million)



### Earnings per share

(RMB)





## Chairman's Statement



On behalf of the Board of Directors (the "Board"), I present the 2011 Interim Report of Sino-Ocean Land Holdings Limited ("Sino-Ocean Land" or the "Company" and its subsidiaries together referred to our "Group" or "We") for the six months ended 30 June 2011.

### 2011 Interim Results

In the six months ended 30 June 2011, our Group's turnover was RMB7,904 million, 66% higher than the same period last year. Gross profit was RMB2,340 million, rising by 94% compared to the same period last year while the gross profit margin increased from 25% to 30%. Profit attributable to equity holders of the Company reached RMB1,096 million, yielding earnings per share of RMB0.15. With reference to the profit attributable to the equity holders of the Company for the period under review, the Board is pleased to declare an interim dividend for the six months ended 30 June 2011 of HKD0.05 per share.

### Strategy Review

2011 is the second year of our Group's third phase of strategic development plan. Based on our management's anticipation of the industry trend and projection on the strategic planning, we formed our own expectation on possible macro trend for the whole year and confirmed to progress along the lines of "speeding up development, optimizing operating quality, nurturing support platform and strengthening influence in local cities" for the year. Despite the greater challenges brought by the macro measures and the complex international economic environment on our Group's operation, we were able to achieve our budgeted operating results. For the period ended 30 June 2011, our Group's contracted sales reached RMB12,348 million and an approximate GFA of 840,000 sq.m., representing an increase of 49% and 33% from the same period last year respectively, this marked a record high for a six months period in the past 18 years.

Our Group's coastal and riparian plan is in course of consolidation. Sales in the cities we entered remained strong with sales strategy successfully implemented. In the first half of 2011, having effectively consolidated our leading position in the advantaged Pan-Bohai Rim, the Group topped the chart of contracted sales in two traditional business





developing cities, Beijing and Dalian, according to statistics. Ocean Manor (Beijing), our Group's first low density and high-end development project in Beijing that attracted widespread attention right from the beginning, was the winner in terms of sales amount, GFA and number of units sold in June for a single project. There was also a marked increase in sales from the second and third-tier cities where we already had presence and those we recently entered, and thus accounting for a large proportion to our Group's total contracted sales. Ocean City (Zhongshan), in terms of single project sale, was No. 1 in terms of contracted sales and GFA sold. Contracted sales and GFA sold in Sanya, Chengdu, Qinhuangdao and Wuhan also enjoyed a significant growth of 79% and 41% respectively during the period under review, compared to second half of 2010. Strategic development plan in first, second and third-tier cities is basically formulated and is gradually manifesting its strength.

While achieving faster growth in sales, our Group also stepped up its pace of development. Newly commenced construction area in the first half of the year was about 3 million sq.m., GFA under construction was over 4 million sq.m. and average monthly work-in-progress area was over 6 million sq.m., with about double increment compared to the same period last year. The sufficient supply of products provides a strong guaranteed back-up for achieving our sales target in the second half of the year.

In the first half of 2011, our Group successfully issued perpetual subordinated capital securities, the first of their kind for a listed property developer in China in 2011, and raised USD400 million, enhancing our Group's capital structure effectively. In the meantime we are also exploring the possibility of establishing property fund investment platforms both domestically and overseas, so as to further nurture our Group's development in property related investment business.

In the first half of the year, our Group emphasized on "Accuracy and Efficiency" as the year plan in terms of corporate management by continuously increasing its precision degree. A higher level of internal controls enabled easier and more accurate and efficient business management. We also speeded up the research and the implementation of "Seagull II" launched two years ago. The advanced information technology was instrumental and formulated a perfect platform for streamlining our management process.

## **Market Review and Outlook**

While the global economy was still recovering in the first half of the year, the prices of international commodities continued to rise and many countries around the world faced the pressure of increasing interest rate. The US economy slowed down markedly while the sovereign debt crisis in the Euro zone continued to spread and inflation threatened to rear its head. We believe that the recovery of global economy in the latter half of the year will still be tested. The wait-and-see sentiments built up among international investors persisted.



## Chairman's Statement



At the same time, the GDP growth in China slowed down while CPI kept reaching record high, thus deepened the inflation pressures. The People's Bank of China had already increased the deposit-reserve ratio six times and interest rate three times, prolonging the 2010 tightening monetary policy.

The macro control measures policy on property market were effective as over-heating of property prices in most cities was effectively curbed. However, property investment and sales during the period were still strong. Nationwide total investment in property development reached RMB2.625 trillion and sales of commodity properties amounted to RMB2.459 trillion, rising by 32.9% and 24.1% respectively compared to the same period last year. In the meantime, the majority of the top 20 property enterprises in terms of sales recorded growth rates of 40% or even higher, way ahead of the industry's 24%, taking up a market share of 18%, 5% higher than 2010, indicating a clear market consolidation.

The execution of the purchase restrictions was stringent in first-tier cities such as Beijing and Shanghai. The same policy was implemented in some second and third-tier cities, however their performance were better off than those of first-tier cities. In Beijing, Shanghai and other first-tier cities, sales volume dropped and prices leveled off while both sales and prices took off in second and third-tier cities. This situation has drawn the government's serious attention.

After several rounds of control measures in the residential market, investment properties and commercial properties were presented with new opportunities. In the first half of the year, the growth rates of both sales amount and selling price of offices and properties for business purpose were clearly ahead of residential properties. Urbanization, economic growth, industry restructuring and people's higher income all attributed to accentuating the potential value of commercial properties and would result in a positive change in property investment. Our Group realizes the strategic importance of commercial properties and has been developing them in a methodical manner according to our development plan.





Taking into consideration the basic measurement and analysis on both the global and domestic economic situations, our Group believes that both domestic and global environments will remain complex and uncertain. Macro control measures towards the China property market will continue. There is tightening of credit and purchase on one hand, and pressure on selling price resulting from higher stock level on the other. As a result of the rapid growth of property markets in second and third-tier cities, it is expected that the macro measures will be more stringent and the implementation scope and vigor of purchase restrictions policy will be widened. In the second half of the year, purchase restrictions policy may be imposed on cities where property prices are escalating rapidly. Nonetheless, according to the national plan of various cities functions announced in June, it is revealed that the government will support the development of second and third-tier cities through urbanization strategies. In the long run, there is huge potential for the property market development in these cities. It can be expected that there will be a positive trend in the long term China property market, although it is subjected to short term turbulence.

In view of the circumstances, our Group will persevere in implementing the third phase of its development strategy and operate with prudence and flexibility. We will grasp market opportunities, speed up development, optimize operating quality, constantly adjust our operating structure, nurture support platform and strengthen presence in high growth cities. At the same time we will advance the use of information technology to raise the precision degree of management process to an even more sophisticated level.

## **Human Resources and Corporate Development**

Throughout the years, we continuously carried out our responsibilities towards our staff, customers and shareholders. We created development platforms and ample opportunities for talented staff to facilitate their growth in pursuit for excellence and broaden their career horizon. Meanwhile, our Group continued to base its human resources development strategy on market, value and incentive, emphasizing staff training according to capability requirements. At the beginning of the year, our Group introduced a series of incentive programs to encourage our staff to be fully committed with passion in creating value to our Group. This also helps to align our Group's business and staff's job objectives and adds a driving force to boost operating quality.

## **Corporate Social Responsibility ("CSR")**

As the business grows, our Group has progressed from simply getting involved in charity work to practicing a systematic involvement in social responsibility. Our Group will continue to uphold our pledge to be a life-long companion that grows with society, as such it will gradually grow into a CSR system that focuses on self-evolution and public's attention, with main concern on education and environmental protection.

## Chairman's Statement

In April 2011 our Group published its first CSR report, conveying special importance on the proper prescription and management of CSR, improving disclosure of corporate information and promoting fast and healthy corporate development. There was also active participation by our Group's staff. In the first half of the year, they devoted 2,400 hours of their own time in various community projects, offering help in community when and where most needed. As a result of prescribing CSR and its excellent execution, our Group was awarded the "China's Top 10 Responsible Developer" at its first series.

In the first half of 2011, our Group's community services followed our Group's set courses of education, environmental protection and livelihood. We endeavored to perform our CSR through various initiatives.

To improve the education conditions of remote area, at the beginning of the year the water tanks that our Group donated to schools in Yunnan Province were successfully put into use and solved their water supply problem. We organized "Lunch Donation" with sina.com to raise funds to provide lunch to deprived students from schools in the Yunnan Province.





In 2011 our Group cosponsored the first “Sino-Ocean Community Environmental Protection Award” with the Ministry of Environmental Protection and the American Association of Environmental Protection. Judgment for the award is being conducted in 17 large to medium cities nationwide. Our Group’s “Old Residential Community, New Green Environment” campaign, which has been running for six years, is spreading its social impact further in the country.

In the meantime our Group actively participates in the government’s building social housing for the public which provides assistance in accommodating residents. The largest protective housing project in Beijing to-date Ocean Runyuan built by our Group was completed and delivered on 8 June as scheduled, ready for occupation by more than a thousand owners. Another public rental housing of Ocean Landscape Eastern Area is in its final stage of decoration and delivery is scheduled in September.

## Appreciation

On behalf of the Board, I would like to take this opportunity to express our deepest gratitude to our shareholders, customers, local authorities and business partners for their sturdy support, and our staff for their devotion to the Company. We believe that with our Group’s efficient and solid management and the strong team of energetic staff we are going to build a brighter future.

**LI Ming**

*Chairman*

Hong Kong, 18 August 2011





RELAXING  
**LIFESTYLE**

Chanson Garden (Dalian)



# Management Discussion & Analysis

## Financial Review

### Revenue

The following table sets forth our revenue breakdown for the six-month periods ended 30 June 2011 and 2010:

(RMB million)	First half 2011	First half 2010	YoY (%)
Property development	7,318	4,443	65%
Property investment	157	95	65%
Property management	155	113	37%
Other real estate related businesses	274	102	169%
<b>Total</b>	<b>7,904</b>	<b>4,753</b>	<b>66%</b>

Our Group's revenue in the first six months of 2011 amounted to RMB7,904 million, representing a 66% growth compared to RMB4,753 million for the corresponding period in 2010.

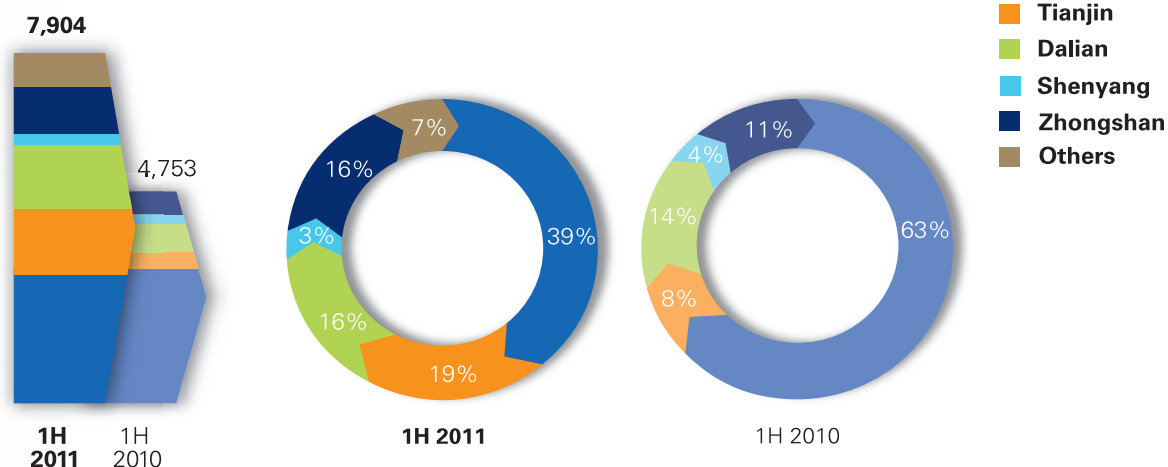
The increase in total revenue was primarily due to an increase of RMB2,875 million in our property development revenue to RMB7,318 million for the first half of 2011. This was the result of a rise in saleable GFA delivered (including car parks) from approximately 422,000 sq.m. to approximately 681,000 sq.m. During the period, average selling price delivered (excluding car parks) remains flat at approximately RMB 11,000 per sq.m. in the first six months of 2011 compared to RMB 11,210 per sq.m. in the corresponding period in 2010. To conclude, the significant increase of 65% in property development business was

mainly contributed by the increase of 61% in saleable GFA delivered.

In terms of geographical revenue mix, for the first half of 2011, Beijing remained the largest segment, contributing 39% of our Group's total revenue, which was 63% in the same period in 2010. There were strong contributions from the other three Pan-Bohai Rim cities including Tianjin, Dalian and Shenyang, with their total revenue up from RMB1,246 million in the first half of 2010 to RMB2,951 million in 2011, with a 136% increment. The total revenue from the Pan-Bohai Rim has dropped from 89% in the first half of 2010 to only 77% for the current period, which showed that our Nation-wide landbank strategy has successfully reduced our Group's reliance on the Beijing market and diversified our revenue base for future expansion and revenue growth in the future.

The following graphs compare the revenue contributions by geographical locations for the six-month periods ended 30 June 2011 and 30 June 2010:

(RMB million)





### Cost of Sales

The cost of property development mainly comprised of land cost and construction cost, which together accounted for 80% of our Group's total cost of sales during this period. Excluding car parks, average land cost per sq.m. of the property development business for the period under review was approximately RMB2,653 (first half of 2010: RMB3,159). The decrease was due to the higher portion of GFA sold and delivered in the first half of 2011 coming from projects of second-tier cities. Average construction cost per sq.m. (excluding car parks) for property development was approximately RMB4,200 for the period under review which remains comparable to the last period.

### Gross Profit

Gross profit for the period under review amounted to RMB2,340 million, representing a 94% increase compared to the corresponding period in 2010. Gross profit margin increased from 25% in the first half of 2010 to 30% in the first half of 2011. The increase were primarily due to the facts that (i) higher portion of our delivered projects were in the mature phases, such as both of the Ocean City in Tianjin and Zhongshan; and (ii) delivery of high-end products like Ocean Worldview in Dalian.

### Other Income and Gains

Other income increased by 73% to RMB189 million for the six months ended 30 June 2011, as compared to RMB109 million for the same period in 2010. Other income included income from investment on financial assets, interest income and other non-operating income.

For the six months ended 30 June 2011, the other losses of RMB0.63 million compared to a gain of RMB183 million in the corresponding period in 2010. The change was mainly due to the inclusion of the disposal gain of the Best Western Premier Beijing Hotel Limited during the first half of 2010.





### Operating Expenses

Selling and marketing costs for the first half of 2011 were RMB251 million, representing a 59% increase compared to RMB158 million of the corresponding period in 2010. The rise was basically due to more advertising and marketing campaigns for project promotion during the first half of 2011. These costs, however, accounted for only approximately 2% of the total contracted sales amount for the first half of 2011, the same as 2010. Our cost control measures successfully kept these costs at a relatively low level.

Administrative expenses increased by 26% to RMB196 million in the first half of 2011 (first half of 2010: RMB156 million). This was attributable to our expansion and operation in more cities to support our contracted sales growth and the cost of upgrading our IT system to enhance overall efficiency. Overall administrative expenses only represented 2.5% of total revenue (first half of 2010: 3.3%) and 1.6% of contracted sales (first half of 2010: 1.9%) during the period under review.

### Finance Costs

Total borrowings as at 30 June 2011 were approximately RMB28,469 million (31 December 2010: RMB29,196 million). Despite the drop in total borrowings, the increase in interest expenses was due to the overall increase in average cost of funding for the current period and there was approximately RMB97 million interest unable to be capitalized, and compared to RMB31 million approximately for the period ended 30 June 2010.

The average interest rate has increased from 5.09% to 6.26% for the first half of 2011 leading to the total interest expenses paid or accrued to RMB745 million (first half of 2010: RMB603 million).

### Taxation

The aggregate of enterprise income tax and deferred tax increased by 37% to RMB456 million during the first half of 2011 (first half of 2010: RMB334 million), while the effective tax rate was increased to 29% (first half of 2010: 21%). The increase was in line with higher pre-tax profit during the period under review. Land appreciation tax for the same period increased to RMB419 million, a significant rise compared to the amount of RMB114 million for the same period in 2010 was due to the higher portion of delivered projects during the current period, including POETRY OF RIVER in Beijing, Ocean City in Zhongshan, Ocean Mansion in Sanya which enjoyed higher gross profit margin.

### Profit Attributable to Equity Holders of the Company

Profit attributable to equity holders of the Company recorded a decline of 5% to RMB1,096 million, as compared to RMB1,152 million for the first half of 2010. It was mainly due to fair value changes of investment properties and the one-off gain on disposal of discontinued operation recorded in the same period last year.

### Liquidity and Financial Resources

During the first half of 2011, our Group further refined our funding structure while liquidity and credit policies in the financial market have been tightened. We were having total borrowings of RMB28.5 billion as at 30 June 2011. Furthermore, the issuance of USD400 million perpetual subordinated capital securities was successfully completed on 13 May 2011. It has improved our long term capital structure remarkably and will support our future acquisitions during market consolidation.

## Management Discussion & Analysis

As at 30 June 2011, our Group had total cash resources (the aggregate of cash and cash equivalents and restricted bank deposits) of RMB12.2 billion and current ratio of 2.2 times. Together with the unutilized credit facilities of about RMB27.6 billion. The total funds that will be available for operation and expansion amounted to approximately RMB39.8 billion as at 30 June 2011. All these proved that our Group is ensured to be financially sound and is having ample financial resources and an adaptable financial management policy to meet our business expansion.

As at 30 June 2011, our net gearing ratio (total borrowings less cash resources divided by equity attributable to holders of the Company) remained at a reasonable and stable level of 47% (31 December 2010: 46%).

In addition, we maintained our borrowing structure to have a relatively high portion in mid-to-long term borrowings in order to support our sound and safe development. Borrowings with repayment terms over one year accounted for 64% of the total borrowings as at 30 June 2011, as compared to 66% as at 31 December 2010.

The repayment schedule of the Group's borrowings was as follows:

(RMB million)	As at 30 June 2011	As at 31 December 2010	YoY%
Within 1 year	10,252	9,920	3%
1 to 2 years	12,311	11,062	11%
2 to 5 years	3,551	6,184	-43%
Over 5 years	2,355	2,030	16%
<b>Total</b>	<b>28,469</b>	<b>29,196</b>	<b>-2%</b>

### Financial Guarantees and Pledge of Assets

As at 30 June 2011, the value of the guarantees provided by our Group to banks for mortgages extended to some property buyers before completion of their mortgage registration was RMB3,650 million (31 December 2010: RMB2,925 million).

As at 30 June 2011, our Group had pledged part of its land use rights, properties under development, completed properties held for sale, investment property, etc. to secure the current portion of long-term borrowings of RMB125 million (31 December 2010: RMB1,800 million) and long-term bank loans of RMB7,479 million (31 December 2010: RMB2,756 million). As at the period end of June 2011, total pledged assets accounted for approximately 11% of the total assets of our Group (31 December 2010: 5%).

### Capital Commitments

Our Group entered into certain agreements in respect of land acquisition and property development. As at 30 June 2011, we had a total capital commitment of RMB22,336 million (31 December 2010: RMB18,477 million).

### Contingent Liabilities

In line with the prevailing commercial practice in the PRC, the Group provides guarantees for mortgages extended to property buyers before completion of their mortgage registration. As at 30 June 2011, the total amount of the aforesaid guarantees provided by us was RMB3,650 million (31 December 2010: RMB2,925 million). In the past, we had not incurred any material loss from providing such guarantees as the guarantees were given as a transitional arrangement that would be terminated upon completion of the mortgage registration and were secured by the buyers' properties.



## Business Review

### Property Development

#### 1) Recognized Sales

Revenue from property development business grew by 65% for the first half of 2011 to RMB7,318 million, compared to RMB4,443 million for the corresponding period in 2010. The growth in revenue from property development business was mainly due to the increase of saleable GFA delivered from approximately 422,000 sq.m. in the first half of 2010 to approximately 681,000

sq.m. in the first half of 2011. Average selling price delivered (excluding car parks) remained flat at approximately RMB11,000 per sq.m. in the first six months of 2011 compared to RMB11,210 sq.m. in the corresponding period in 2010.

Revenue and saleable GFA delivered from each project during the first half of 2011 were as follows:

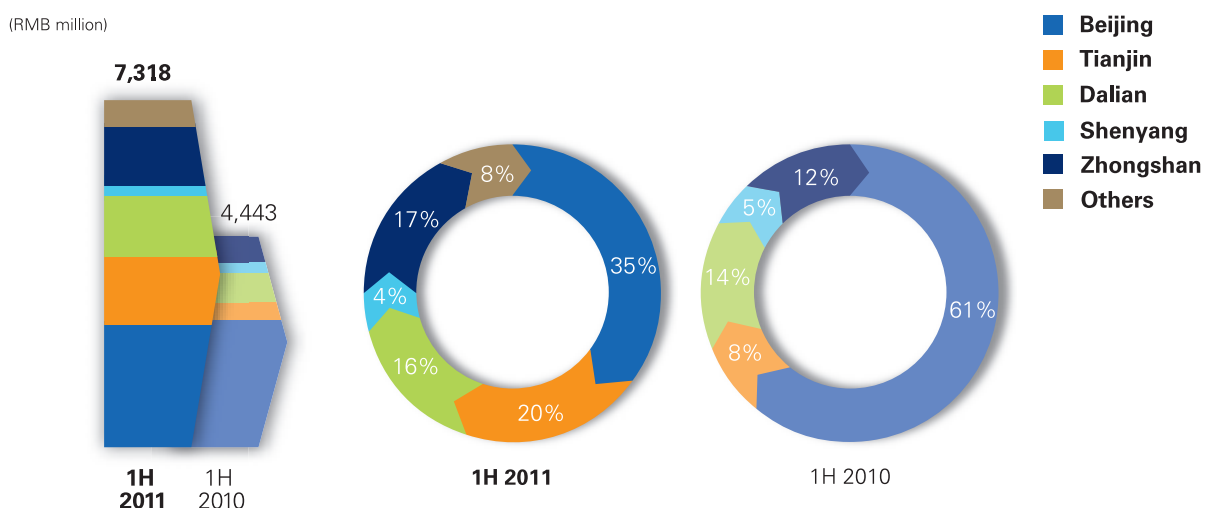
Cities	Projects	Revenue (RMB million)	Saleable GFA delivered (sq.m.)	Average selling price recognized (RMB/sq.m.)	Interest attributable to our Group (%)
Beijing	Ocean Express	44	2,491	17,700	100%
	Ocean Great Harmony	222	6,028	36,800	100%
	Ocean Landscape	18	1,227	14,700	100%
	Ocean Landscape Eastern Area	45	3,109	14,500	100%
	Ocean Office Park	27	815	33,500	100%
	Ocean Seasons	125	18,771	6,700	70%
	POETRY OF RIVER	2,016	178,187	11,300	100%
Dalian	Ocean Prospect	365	19,853	18,400	100%
	Ocean Worldview	803	43,692	18,400	100%
	Chanson Garden	18	4,229	4,400	100%
Qinhuangdao	Wan Hai Yi Hao	66	10,003	6,600	100%
Sanya	Ocean Mansion	505	24,260	20,800	70%
Shenyang	Ocean Paradise	227	33,408	6,800	100%
Tianjin	Ocean City	1,122	131,122	8,600	100%
	Ocean Express	341	27,473	12,400	97.05%
	Ocean Paradise	4	316	12,500	96.99%
Zhongshan	Ocean City	1,249	148,544	8,400	100%
Subtotal		7,197	653,528	11,000	
Car parks (various projects)		121	27,161	4,400	
<b>Total</b>		<b>7,318</b>	<b>680,689</b>	<b>10,800</b>	

## Management Discussion & Analysis

During the period, Beijing remained the largest contributor which accounted for 35% of total revenue from property development (first half of 2010: 61%). Meanwhile, there was growing contribution from other cities in the Pan-Bohai Rim including Tianjin, Dalian and

Shenyang, accounting for 40% of total saleable GFA delivered in the period under review. Three of our key projects, namely POETRY OF RIVER in Beijing, Ocean City in Tianjin and Zhongshan contributed most of the total saleable GFA delivered in the period under review.

The following graphs indicate the breakdown of our revenue from property development by geographical locations during the first half of both 2011 and 2010:



### 2) Contracted Sales

Our contracted sales during the six months ended 30 June 2011 amounted to RMB12,348 million, representing an approximately 49% increase compared to RMB8,303 million for the corresponding period in 2010. The increase was due to (i) the higher GFA sold for the first half of 2011 which went up by 33% to 835,609 sq.m. (first half of 2010: 625,955 sq.m.); (ii) the average selling price has increased by 12% to RMB15,400 per sq.m. (first half of 2010: RMB13,706 per sq.m.) excluding car parks and by 12% to RMB14,800 per sq.m. (first half of 2010: RMB13,265 per sq.m.) including car parks.

In terms of geographical distribution, we began to see that contracted sales by other regions of Pan-Bohai Rim excluding Beijing contributed more remarkable results with an increasing saleable GFA sold of 16% to approximately 394,000 sq.m. (first half of 2010: 341,000 sq.m.). As at 30 June 2011, our Group's unbooked contracted sales to be recognized amounted to RMB25.5 billion, providing a strong and solid foundation for our Group's future revenue growth.



The following table sets forth the information regarding the contracted sales amounts and the saleable GFA sold by projects during the first half of 2011:

Cities	Projects	Contracted sales amount (RMB million)	Saleable GFA sold (sq.m.)	Average selling price (RMB/sq.m.)	Interest attributable to our Group (%)
Beijing	Ocean Express	44	2,491	17,700	100%
	Ocean Great Harmony	2,425	72,063	33,700	100%
	Ocean Landscape	14	1,033	13,200	100%
	Ocean Landscape Eastern Area	331	11,768	28,100	100%
	Ocean Manor	342	15,938	21,400	100%
	Ocean Office Park	27	815	33,500	100%
	Ocean Oriental	316	19,005	16,600	100%
	POETRY OF RIVER	1,913	89,393	21,400	100%
	The Place	10	549	17,800	100%
Chengdu	Ocean Langjun	334	42,801	7,800	51%
Dalian	Ocean Plaza	1,383	107,425	12,900	100%
	Ocean Prospect	48	2,049	23,200	100%
	Ocean Seasons	105	6,011	17,500	100%
	Ocean TIMES	575	79,083	7,300	100%
	Ocean Holiday Manor	71	6,353	11,200	100%
	Ocean Worldview	823	59,216	13,900	100%
	Chanson Garden	3	1,087	2,800	100%
	Hangzhou	Ocean Mansion	578	15,871	36,400
Qinhuangdao	Wan Hai Yi Hao	32	4,712	6,800	100%
Sanya	Ocean Mansion	360	14,386	25,000	70%
Shenyang	Ocean Paradise	485	48,700	10,000	100%
Tianjin	Ocean City	381	42,165	9,000	100%
	Ocean Express	321	27,547	11,600	97.05%
	Ocean Great Harmony	122	9,228	13,200	100%
	Ocean Paradise	4	316	12,500	96.99%
Wuhan	Ocean World	37	7,273	5,100	55%
Zhongshan	Ocean City	942	93,318	10,100	100%
Subtotal		12,026	780,596	15,400	
Carparks (various projects)		322	55,013	5,900	
<b>Total</b>		<b>12,348</b>	<b>835,609</b>	<b>14,800</b>	

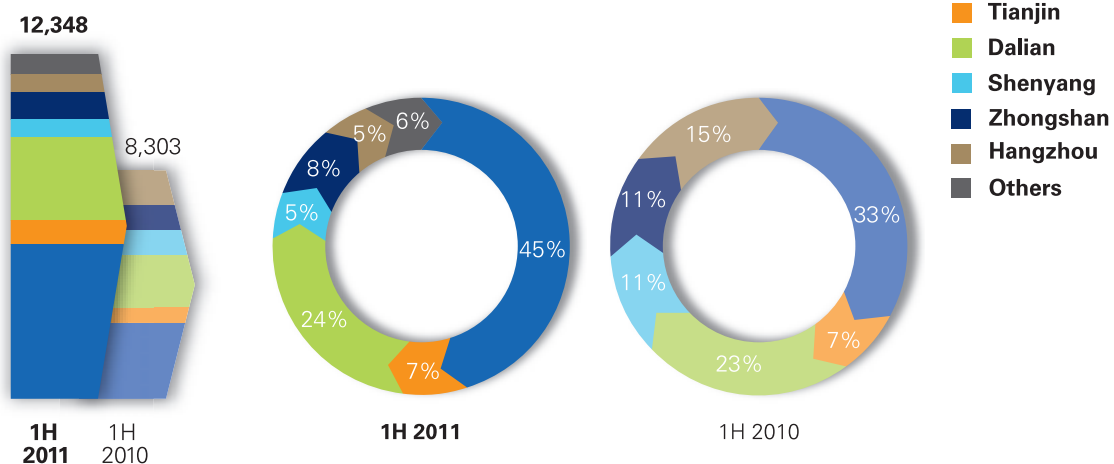
## Management Discussion & Analysis

There were altogether 27 projects available for sale during the first half of 2011 (first half of 2010: 17 projects), of which 22 were located in the Pan-Bohai Rim, accounting for about 81% of the total contracted sales amount. While Beijing was still the largest market

in terms of contracted sales amount in the first half of 2011, accounting for approximately 45% (first half of 2010: 33%). We foresee a higher proportion of contribution coming from other second-tier cities in China in the coming years while maintaining a strong presence in Beijing.

The following graphs indicate the breakdown of our Group's contracted sales amounts by geographical locations during the first half of both 2011 and 2010:

(RMB million)





### 3) Construction Progress and Development Progress

Total GFA under construction and total saleable GFA completed in the first half of 2011 was approximately 7,200,000 sq.m. and 840,000 sq.m., which went up by 213% and 124% respectively compared to the corresponding period in 2010. According to our usual

construction cycle, we will have more GFA completed in the second half of the year. Based on our construction plan, we expect to complete construction of about 1,350,000 sq.m. during the second half of 2011.

The following table shows the details of construction progress and development progress:

Cities	Projects	Target		Interest attributable to our Group (%)
		GFA completed in first half 2011 (sq.m.)	GFA completed in second half of 2011 (sq.m.)	
Beijing	Ocean Landscape Eastern Area	—	132,000	100%
	Ocean LA VIE	—	54,000	85.72%
	POETRY OF RIVER	201,000	271,000	100%
	The Place	—	35,000	100%
Dalian	Ocean Prospect	30,000	—	100%
	Ocean Seasons	—	116,000	100%
	Ocean Worldview	73,000	139,000	100%
Sanya	Ocean Mansion	54,000	—	70%
Shenyang	Ocean Paradise	37,000	177,000	100%
Tianjin	Ocean City	191,000	155,000	100%
	Ocean Express	57,000	88,000	97.05%
Wuhan	Ocean Manor	—	65,000	55%
	Ocean World	—	58,000	55%
Zhongshan	Ocean City	196,000	60,000	100%
<b>Total</b>		<b>839,000</b>	<b>1,350,000</b>	

## Management Discussion & Analysis

### 4) Landbank

Our landbank increased by 16% to 23,898,000 sq.m. as at 30 June 2011 (31 December 2010: 20,608,000 sq.m.); while landbank with attributable interest increased to 20,985,000 sq.m. (31 December 2010: 18,588,000 sq.m.). During the first half of 2011, we

acquired 7 plots of land with total GFA of 3,306,000 sq.m. and attributable interest of 2,507,000 sq.m. The average land cost per sq.m. for our landbank as at 30 June 2011 was approximately RMB2,904 compared to RMB3,157 as at 31 December 2010.

Details of the newly acquired land plots during the first half of 2011 were as follows:

Cities	Projects	Total GFA acquired (sq.m.)	Interest
			attributable to our Group (%)
Fushun	Jiangjougou Project	1,216,000	65%
Hangzhou	Pufu Project	159,000	100%
Qingdao	Ocean Seasons	147,000	100%
Shanghai	Ocean Mansion No.7	110,000	100%
Shanghai	Yanghangzhen Project	348,000	100%
Zhenjiang	Ocean Bank of Seine	829,000	55%
Zhongshan	Henglan Project	497,000	100%
<b>Total</b>		<b>3,306,000</b>	

The following table sets forth the landbank by stages of development as at 30 June 2011:

	Approximate total GFA (sq.m.)	Approximate	Remaining landbank (sq.m.)
		total saleable GFA (sq.m.)	
GFA in terms of completed properties held for sales	3,522,000	3,193,000	471,000
GFA in terms of properties under development	7,213,000	6,314,000	7,213,000
GFA in terms of properties held for future development	16,214,000	14,098,000	16,214,000
<b>Total</b>	<b>26,949,000</b>	<b>23,605,000</b>	<b>23,898,000</b>



The following table sets forth the landbank located in various cities as at 30 June 2011:

Region	Cities	Projects	Approximate total GFA (sq.m.)	Approximate total saleable GFA (sq.m.)	Remaining landbank (sq.m.)	Interest attributable to our Group (%)
Beijing	Beijing	CBD Plot Z6	222,000	220,000	220,000	80%
		INDIGO	295,000	264,000	295,000	50%
		Ocean Crown	211,000	152,000	211,000	100%
		Ocean Great Harmony	353,000	312,000	118,000	100%
		Ocean Great Harmony Plot C Project	67,000	67,000	67,000	100%
		Ocean LA VIE	273,000	203,000	273,000	85.72%
		Ocean Landscape Eastern Area	529,000	456,000	236,000	100%
		Ocean Landscape Eastern Area E02/03 Project	103,000	103,000	103,000	100%
		Ocean Manor	268,000	232,000	268,000	100%
		Ocean Oriental	175,000	150,000	175,000	100%
		Ocean Palace	435,000	338,000	435,000	100%
		POETRY OF RIVER	790,000	704,000	438,000	100%
		The Place	102,000	85,000	102,000	100%
		Pan-Bohai Rim	Changchun	Ocean Cannes Town	1,115,000	1,039,000
Dalian	Ocean Diamond Bay		2,422,000	1,977,000	2,422,000	90%
	Ocean Holiday Manor		409,000	388,000	409,000	100%
	Ocean MIDTOWN		92,000	75,000	92,000	100%
	Ocean Plaza		293,000	275,000	293,000	100%
	Ocean Prospect		178,000	159,000	23,000	100%
	Ocean Seasons		138,000	119,000	138,000	100%
	Ocean TIMES		567,000	510,000	567,000	100%
	Ocean Worldview		1,937,000	1,730,000	1,614,000	100%
	Sino-Ocean Technopole		922,000	596,000	922,000	100%
	Wyndham Grand Plaza Royale Sino-Ocean Xiaoyao Bay Project		111,000	54,000	111,000	100%
219,000	175,000		219,000	100%		
Fushun	Jiangjungou Project		1,216,000	1,154,000	1,216,000	65%
Qingdao	Ocean Honored Chateau		136,000	108,000	136,000	100%
	Ocean Prospect	148,000	109,000	148,000	100%	
	Ocean Seasons	147,000	111,000	147,000	100%	

## Management Discussion & Analysis

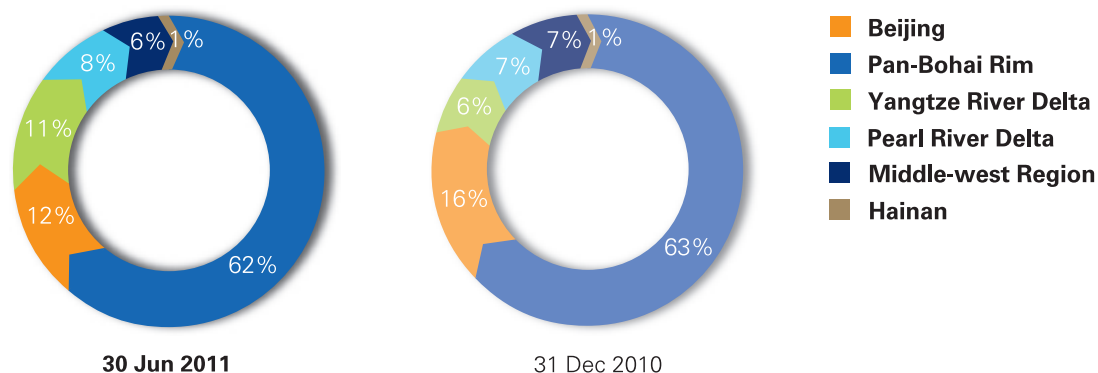
The following table sets forth the landbank located in various cities as at 30 June 2011 (Continued):

Region	Cities	Projects	Approximate total GFA (sq.m.)	Approximate total saleable GFA (sq.m.)	Remaining landbank (sq.m.)	Interest attributable to our Group (%)
	Qinhuangdao	Ocean Century	1,470,000	1,373,000	1,470,000	100%
		Wan Hai Yi Hao	39,000	39,000	20,000	100%
	Shenyang	Ocean Paradise	718,000	690,000	476,000	100%
		Ocean Residence	187,000	165,000	187,000	100%
	Tianjin	Ocean City	2,293,000	2,100,000	1,967,000	100%
		Ocean Express	337,000	313,000	189,000	97.05%
		Ocean Great Harmony	343,000	324,000	343,000	100%
		Ocean International Center	147,000	107,000	147,000	96.99%
		Ocean Paradise	310,000	294,000	18,000	96.99%
		Ocean Prospect	316,000	298,000	316,000	90%
Yangtze River Delta	Hangzhou	Canal Business Center Project	866,000	480,000	866,000	51%*
		Grand Canal Milestone	208,000	141,000	208,000	70%
		Pufu Project	159,000	109,000	159,000	100%
	Shanghai	BOND CASTLE	90,000	90,000	90,000	100%
		Ocean Mansion No.7	111,000	100,000	111,000	100%
		Yanghangzhen Project	347,000	328,000	347,000	100%
	Zhenjiang	Ocean Bank of Seine	829,000	790,000	829,000	55%
Pearl River Delta	Zhongshan	Henglan Project	497,000	487,000	497,000	100%
		Ocean City	1,982,000	1,836,000	1,345,000	100%
Middle-west Region	Chengdu	Dacisi Project	258,000	258,000	258,000	50%
		Ocean Langjun	155,000	137,000	155,000	51%
	Chongqing	Sino-Ocean International GOLF Resort	581,000	496,000	581,000	85%
	Huangshan	An Island Paradise	153,000	153,000	153,000	100%
	Wuhan	Ocean Manor	88,000	81,000	88,000	55%
		Ocean World	416,000	403,000	416,000	55%
Hainan	Haikou	Ocean Driftwood Array	108,000	87,000	108,000	70%
	Sanya	Ocean Mansion	54,000	49,000	27,000	70%
		Tang Di Project	14,000	12,000	14,000	52.50%
	<b>Total</b>		<b>26,949,000</b>	<b>23,605,000</b>	<b>23,898,000</b>	

\* Deemed disposal of 49% interest and recognized such movement in equity.



The following graphs show the landbank by geographical locations as at 30 June 2011 and 31 December 2010:



### Property Investment

Investment properties provide a steady and reliable income and cash flow to our Group in addition to the possible capital gains from appreciation in value. They also help us to diversify our risk from market turbulence in the property development business. As at 30 June 2011, our Group has investment properties and several carparks for rental service in Beijing and Shanghai, with a total leasable area of 273,000 sq.m.

Revenue from property investment increased significantly to RMB157 million during the first half of 2011 (first half of 2010: RMB95 million). The rise in rental income was mainly due to higher per sq.m. rental level and occupancy rate for Ocean International Center Tower A and Ocean Office Park in Beijing.

The following table sets forth the details of our property investment during first half of 2011:

	Approximate leasable area (sq.m.)	Office premises (sq.m.)	Retail space (sq.m.)	Others (sq.m.)	Occupancy rate for first half of 2011 (%)	Interest attributable to our Group (%)
Ocean Plaza (Beijing)	31,000	26,000	1,000	4,000	Over 95%	72%
Ocean International Center Tower A (Beijing)	102,000	75,000	9,000	18,000	Over 95%	100%
Ocean Office Park (Beijing)	117,000	81,000	22,000	14,000	Over 70%	100%
Shui On Building (Shanghai)	3,000	3,000	—	—	Over 75%	70%
Novel Building (Shanghai)	6,000	6,000	—	—	Over 90%	63%
Ocean Express (Beijing) Carparks	14,000	—	—	14,000	Over 10%	100%
<b>Total</b>	<b>273,000</b>	<b>191,000</b>	<b>32,000</b>	<b>50,000</b>		

### Property Management

During the first half of 2011, revenue from the provision of property management services increased by 37% to RMB155 million (first half of 2010: RMB113 million). As at

30 June 2011, total GFA covered by our property management services increased to about 7,283,000 sq.m., compared to approximately 4,550,000 sq.m. for the corresponding period in 2010.

# Management Discussion & Analysis

## Other Information

### Risk of Exposure to Exchange Rate Fluctuations and Related Hedging

During the first half of 2011, our Group had no investments in hedging or speculative derivatives. In view of the potential Renminbi exchange rate fluctuations, we will consider arranging for monetary and interest rate swaps at appropriate times to avoid the corresponding risks.

### Employees and Human Resources

As at 30 June 2011, our Group had 6,592 employees (31 December 2010: 5,696), a 16% increase in headcount. We set up offices in several new cities which we entered or intended to enter, including Fushun, Chongqing, Huangshan, Wuhan and Zhenjiang. The higher headcount is in line with our business expansion plan to support sales growth and increasing number of properties under construction in other cities across China.

During the first half of 2011, even after taking into account the amortization of share options, we were able to maintain the level of our overall staff cost at about RMB303 million (first half of 2010: RMB243 million). Besides the share option scheme adopted in previous years, we have successfully adopted and launched a restricted share award scheme. We believe that these schemes will provide long-term incentive and rewards to our staff. We will continuously review our salary and compensation schemes to make them competitive to retain our talented staff so that these talented staff can ultimately bring in higher return to our shareholders and investors.

## Investor Relations

### Closer Communication in Times of Market Fluctuations

Our Group's investor relations ("IR") team is devoted to enabling the most effective communication between the Company, the financial community and other stakeholders. We adhere to the best practice of high transparency and consistency in the disclosure of information. We demonstrated our integrity by having constant and open dialogues with stakeholders in any kind of business environment.

In the first half of 2011 there was further tightening of the macro measures and the effects were felt, raising concerns among investors about developers' sales performance. Under such circumstances we were even more proactive in our communication with investors.

1. Disclosing the Company's basic operating data more frequently. As the new year began we changed our quarterly newsletter to monthly and published it on the Group's website, ensuring all concerned access to the relevant information at the same time.
2. Participating in more investors' conferences organized by securities firms. Our Group's management representatives and the IR team attended 14 such conferences (10 in the same period last year), intensifying our communication with relevant parties.
3. Taking the initiative to talk to analysts. In addition to talking regularly with property market analysts as we have always done, we organized three meetings with them (two in the same period last year) in the first half of this year to update them on our operation and the market conditions, each attracting more than 20 securities firms to attend. To our gratification analysts from several firms emailed to express their appreciation of the Group's IR work.
4. Upgrading the website's efficiency and contents. With a view to enabling investors easy access to information most often sought, we upgraded our website. We added 'meeting/visit application' to the IR section for efficient and organized meeting arrangements. There are now maps on the project list providing a clear view on the distribution of our projects. Investors can also subscribe to the latest information through our website. Please browse our website [www.sinooceanland.com](http://www.sinooceanland.com) for more information.





### **Communicating with Institutional Investors**

In the first half of 2011, we talked in depth with over 220 funds, securities firms and individual shareholders through various channels. Some 120 shareholders and other stakeholders were present at our 2010 result announcement conference in March or participated on-line. At the end of March, representatives from the management and the IR team hosted the annual results roadshows in Hong Kong, Singapore, US, the UK and the Netherlands, meeting some 87 funds and stakeholders. These activities promoted investors' understanding of our Group's operation and strategy, and provided valuable feedback for our management.

### **Analyst Coverage**

In the first half of 2011, there were 23 securities firms covering our Company including Citi, Morgan Stanley, J.P. Morgan, Goldman Sachs, Macquarie, BNP Paribas and Samsung, etc. As at 30 June 2011, ratings by these financial institutions were encouraging as 95% were in the categories of 'buy', 'outperform' and 'hold'.

### **Organizing Site Visits**

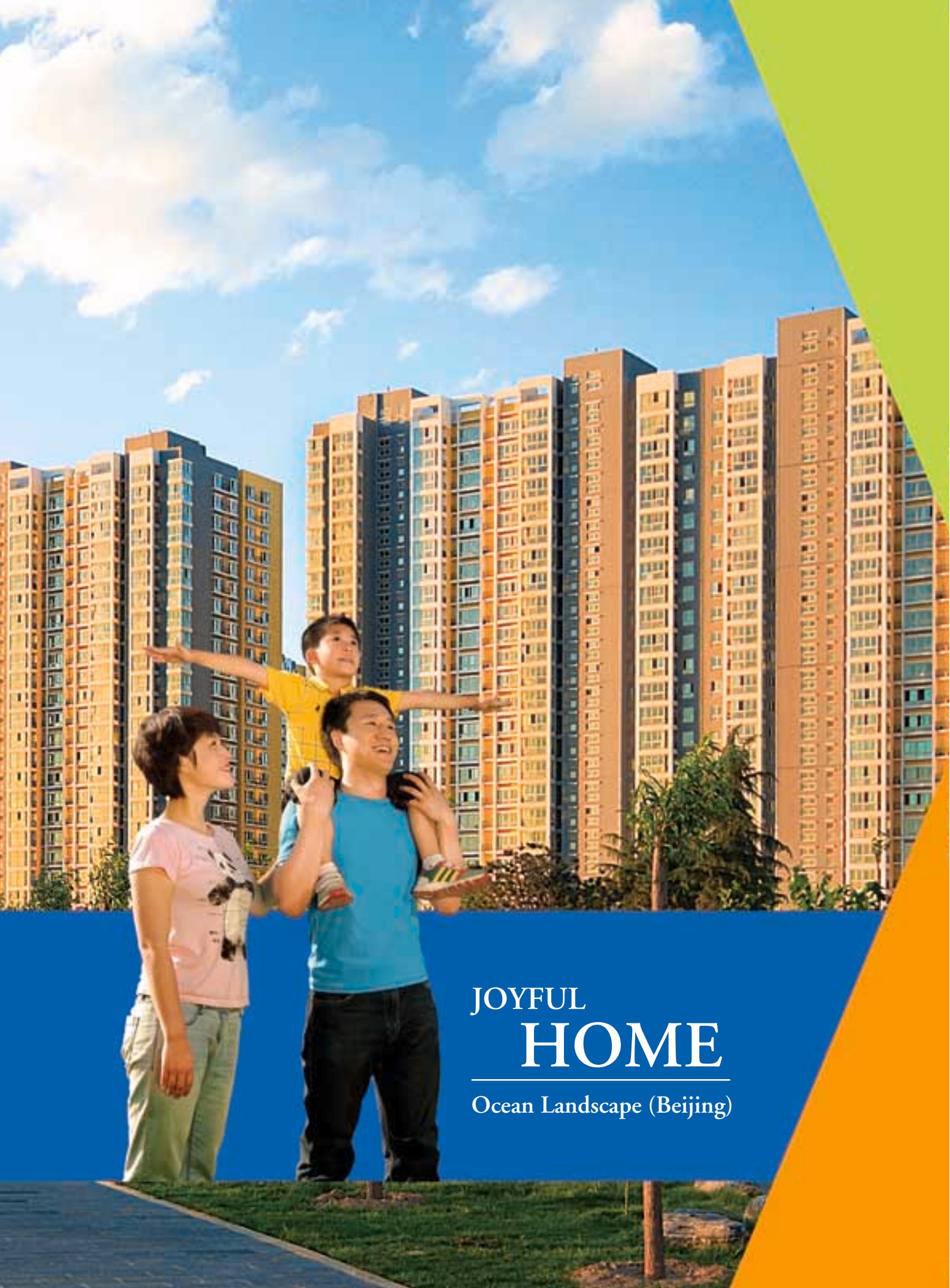
We entertained more than 140 visitors at nearly 50 site visits in the first six months of 2011. Taking advantage of the large-scale conferences organized by the securities firms, we arranged five large group visits to in Beijing, Tianjin, Dalian and Hangzhou. These visits provided the opportunities for both investors and analysts to understand our Group's products and local market conditions better.

### **Talking with Individual Shareholders**

More than 100 shareholders and other stakeholders attended annual general meeting in May 2011. We continued to set up a special Q&A session for the management representatives to answer individual shareholders' queries as this interactive communication is mutually beneficial.

We are grateful to all stakeholders for their support and feedback. If you have questions or comments about our work, please contact us at [ir@sinoceanland.com](mailto:ir@sinoceanland.com). We promise to provide answers (and post them on our website if we think they will be of interest to our shareholders and other investors) to the extent permitted by applicable laws, regulations and the Listing Rules. As to your comments, we will take your views into account and act upon them if this will improve our performance.





JOYFUL  
**HOME**

Ocean Landscape (Beijing)

## Disclosure of Interests

### Directors' and Chief Executives' Interests and Short Positions in Shares, Underlying Shares and Debentures

As at 30 June 2011, the interests and short positions of each of the directors and chief executives of the Company in the shares, underlying shares and debentures of the Company and its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance ("SFO")) as

recorded in the register required to be kept under Section 352 of the SFO, or as otherwise notified to the Company and The Stock Exchange of Hong Kong Limited (the "Stock Exchange") pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code") set out in Appendix 10 to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Listing Rules"), were as follows:

Name of Directors	Nature of interest	No. of ordinary shares held (long position)	Restricted shares (Note iii)	Share options (Note iv)	Percentage in the Company's issued share capital
LI Ming	Founder of discretionary trust	125,878,375 (Note i)	—	—	2.221%
	Beneficial owner	—	2,226,200	—	0.039%
	Beneficial owner	—	—	11,560,000	0.204%
LIU Hui	Beneficial owner	—	60,000	—	0.001%
WANG Xiaoguang	Interest of controlled corporation	102,355,189 (Note ii)	—	—	1.806%
	Beneficial owner	—	749,200	—	0.013%
	Beneficial owner	—	—	2,210,000	0.039%
CHEN Runfu	Beneficial owner	—	535,100	—	0.009%
	Beneficial owner	—	—	4,420,000	0.078%
TSANG Hing Lun	Beneficial owner	70,000	—	—	0.001%
	Beneficial owner	—	60,000	—	0.001%
	Beneficial owner	—	—	370,000	0.007%
GU Yunchang	Beneficial owner	—	60,000	—	0.001%
	Beneficial owner	—	—	500,000	0.009%
HAN Xiaojing	Beneficial owner	—	60,000	—	0.001%
	Beneficial owner	—	—	500,000	0.009%
ZHAO Kang	Beneficial owner	—	60,000	—	0.001%
	Beneficial owner	—	—	500,000	0.009%



## Disclosure of Interests

### Notes:

- i. The 125,878,375 shares are held by a discretionary trust of which Mr. LI Ming is the founder.
- ii. The 102,355,189 shares were registered in the name of, and beneficially owned by Key Sky Group Limited. Mr. WANG Xiaoguang was interested in 50% of Key Sky Group Limited. Mr. WANG was deemed to be interested in these shares by virtue of the SFO.
- iii. The restricted shares were granted pursuant to the restricted share award scheme of the Company, the details of which are set out below in the paragraph headed "Restricted Share Award Scheme".
- iv. The share options were granted pursuant to the share option scheme of the Company, the details of which are set out below in the paragraph headed "Share Option Scheme" and the prospectus of the Company dated 14 September 2007.
- v. As at 18 March 2011, Mr. LIANG Yanfeng and Mr. WANG Xiaodong, the retired directors, beneficially owned 3,360,000 share options and 20,000 shares respectively. The 1,008,000 share options and 2,352,000 share options granted to Mr. LIANG were lapsed on 18 March 2011 and 18 June 2011 respectively.

Save as disclosed above, none of the directors nor the chief executives of the Company or their associates had any interest or short positions in any of the shares, underlying shares or debentures of the Company or any of its associated corporations as defined in the SFO.

## Directors' Rights to Purchase Shares or Debentures

Except for the share options granted pursuant to the Share Option Scheme of the Company and the restricted shares awarded pursuant to the Award Scheme of the Company, the details of which are set out below in the paragraph headed "Share Option Scheme" and "Restricted Share Award Scheme" as set out below, at no time during the six months ended 30 June 2011 was the Company or any of its subsidiaries a party to any arrangement that would enable the directors of the Company to acquire benefits by means of acquisition of shares in, or debentures of, the Company or any other body corporate, and none of the directors or any of their spouses or children under the age of 18 were granted any right to subscribe to any equity or debt securities of the Company or any other body corporate or had exercised any such right.

## Substantial Shareholders' and Other Persons' Interests and Short Positions in Shares and Underlying Shares and Debentures

The register of substantial shareholders required to be kept by the Company under Section 336 of Part XV of the SFO shows that as at 30 June 2011, the Company was notified of the following substantial shareholders' interests and short positions in the shares and underlying shares of the Company, being interests of 5% or more, in addition to those disclosed above in respect of the directors and chief executives of the Company:

Name of Shareholders	Capacity	Long/ short position	No. of ordinary shares held	No. of ordinary shares convertible under the Convertible Securities	Percentage in the Company's issued share capital
China Life Insurance (Group) Company (Note i)	Interest of controlled corporation	Long	1,384,147,850	–	24.42%
CHEN Din Hwa (Note ii)	Interest of controlled corporation/ Family interest	Long	723,685,500	–	12.77%
	Interest of controlled corporation	Long	–	510,543,065	9.01%

Notes:

- (i) The 1,384,147,850 shares were registered in the name of, and beneficially owned by, China Life Insurance Company Limited. China Life Insurance (Group) Company was interested in 68.37% of China Life Insurance Company Limited.
- (ii) Mr. CHEN Din Hwa ("**Mr. Chen**") held a long position in 723,685,500 shares of the Company and 510,543,065 shares convertible under the convertible securities (as defined in the "Corporate Governance and Other Information") comprising:
  - (a) 662,425,500 shares and 61,260,000 shares were beneficially owned by Spring Glory Investment Limited and Gavast Estates Limited respectively. Both Spring Glory Investment Limited and Gavast Estates Limited were wholly owned by Keymark Associates Limited. Keymark Associates Limited was wholly owned by Nan Fung Textiles Consolidated Limited. Nan Fung Textiles Consolidated Limited was wholly owned by Chen's Holdings Limited, which in turn was wholly owned by Mr. Chen;
  - (b) 510,543,065 shares convertible under the Convertible Securities were beneficially owned by Kind Talent Limited. Kind Talent Limited was wholly owned by Absolute Gain Trading Limited, which in turn was wholly owned by Mr. Chen. Details of Convertible Securities can be referred to the Company's announcement made on 13 July 2010; and
  - (c) Mr. Chen was no longer deemed to be interest in the shareholderings of Mrs. Chen Yang Foo Oi, which was previously reported as Mr. Chen's "spouse interest".

Save as disclosed above, as at 30 June 2011, the Company had not been notified by any person or corporation who had interests or short positions in the shares or underlying shares of the Company as recorded in the register required to be kept by the Company under Section 336 of the SFO.

# Corporate Governance and Other Information

## Share Option Scheme

The share option scheme (the “**Share Option Scheme**”) was approved by the shareholders’ written resolutions dated 3 September 2007. Under the Share Option Scheme, the Board may grant options to eligible employees and directors of the Group. As set out in the prospectus of the Company dated 14 September 2007 (the “**Prospectus**”), the purpose of the Share Option Scheme is to provide an incentive for

employees of the Group to work with commitment towards enhancing the value of the Company and its shares for the benefit of our shareholders, and to compensate employees of the Group for their contribution based on their individual performance and that of the Company. All of the options granted and outstanding as at 30 June 2011 are governed by the terms of the Share Option Scheme as stated herein and further detailed in the Prospectus.

During the six months ended 30 June 2011, movements of share options granted to the directors, chief executives and employees of our Group under the Share Option Scheme were as follows:

	<b>Date of option granted</b>	<b>Exercise price per share (HKD)</b>	<b>No. of options outstanding as at 1 January 2011</b>	<b>No. of options granted during the period</b>	<b>No. of options exercised during the period</b> <i>(Note ii)</i>	<b>No. of options lapsed during the period</b>	<b>No. of options outstanding as at 30 June 2011</b>
<b>Directors</b>							
LI Ming	8 Oct 2007	7.70	4,280,000	—	—	—	4,280,000
	19 Sept 2008	2.55	3,000,000	—	—	—	3,000,000
	30 July 2009	8.59	4,280,000	—	—	—	4,280,000
LIANG Yanfeng	8 Oct 2007	7.70	1,430,000	—	—	(1,430,000)	—
	19 Sept 2008	2.55	500,000	—	—	(500,000)	—
	30 July 2009	8.59	1,430,000	—	—	(1,430,000)	—
WANG Xiaoguang	19 Sept 2008	2.55	500,000	—	—	—	500,000
	30 July 2009	8.59	800,000	—	—	—	800,000
	5 Oct 2009	7.11	910,000	—	—	—	910,000
CHEN Runfu	8 Oct 2007	7.70	1,710,000	—	—	—	1,710,000
	19 Sept 2008	2.55	1,000,000	—	—	—	1,000,000
	30 July 2009	8.59	1,710,000	—	—	—	1,710,000
TSANG Hing Lun	24 Jan 2008	7.70	140,000	—	—	—	140,000
	19 Sept 2008	2.55	60,000	—	(30,000)	—	30,000
	30 July 2009	8.59	200,000	—	—	—	200,000
GU Yunchang	24 Jan 2008	7.70	200,000	—	—	—	200,000
	19 Sept 2008	2.55	100,000	—	—	—	100,000
	30 July 2009	8.59	200,000	—	—	—	200,000
HAN Xiaojing	24 Jan 2008	7.70	200,000	—	—	—	200,000
	19 Sept 2008	2.55	100,000	—	—	—	100,000
	30 July 2009	8.59	200,000	—	—	—	200,000
ZHAO Kang	24 Jan 2008	7.70	200,000	—	—	—	200,000
	19 Sept 2008	2.55	100,000	—	—	—	100,000
	30 July 2009	8.59	200,000	—	—	—	200,000
Subtotal			23,450,000	—	(30,000)	(3,360,000)	20,060,000



	<b>Date of option granted</b>	<b>Exercise price per share (HKD)</b>	<b>No. of options outstanding as at 1 January 2011</b>	<b>No. of options granted during the period</b>	<b>No. of options exercised during the period</b> <i>(Note ii)</i>	<b>No. of options lapsed during the period</b>	<b>No. of options outstanding as at 30 June 2011</b>
<b>Employees</b>	28 Sept 2007	7.70	52,175,500	—	—	(450,000)	51,725,500
	24 Jan 2008	7.70	8,190,000	—	—	(270,000)	7,920,000
	19 Sept 2008	2.55	22,216,000	—	(469,500)	(228,000)	21,518,500
	30 July 2009	8.59	17,050,000	—	—	(300,000)	16,750,000
	2 Sept 2009	7.01	21,750,000	—	—	(1,234,000)	20,516,000
	5 Oct 2009	7.11	25,730,000	—	—	(458,000)	25,272,000
	Subtotal		147,111,500	—	(469,500)	(2,940,000)	143,702,000
	<b>Total</b>		<b>170,561,500</b>	<b>—</b>	<b>(499,500)</b>	<b>(6,300,000)</b>	<b>163,762,000</b>

Note:

- (i) The share options granted are exercisable within a five-year period in which 40% of the options become exercisable 1 year from the grant date, 70% of the options become exercisable 2 years from the grant date, and all options become exercisable 3 years from the grant date.
- (ii) During the six months ended 30 June 2011, 499,500 share options were exercised and the weighted average closing price of shares of the Company immediately before the dates of exercise was HKD4.68 per share.

## Restricted Share Award Scheme

As announced by the Company on 22 March 2010, the Board resolved to adopt the restricted share award scheme (the “**Award Scheme**”) on 22 March 2010 (the “**Adoption Date**”) as an incentive to retain and encourage the employees for the continual operation and development of our Group. Unless early terminated by the Board, the Award Scheme shall continue in full force and effect from the Adoption Date for a term of 10 years. According to the Award Scheme, the maximum number of shares to be purchased under the Award Scheme is 169,104,822 shares, representing 3% of the issued share capital of the Company as at the Adoption Date. The restricted shares will be purchased by the trustee from the market out of cash contributed by our Group and be held in trust for the relevant selected employees until such shares are vested with the relevant selected employees in accordance with the provisions of the Award Scheme.

Up to 30 June 2011, the Company had through the trustee purchased 32,137,318 shares of the Company, representing 0.57% of the issued share capital of the Company as at the Adoption Date, from the market at an aggregate consideration of HKD155 million (including transaction costs) approximately.

During the six months ended 30 June 2011, a total of 16,991,200 shares of the Company were awarded to the directors and employees of the Group at no consideration, of which no share was vested. As at the date of this report, a total of 16,991,200 unvested shares have been held in trust by the trustee.

## Convertible Securities

As announced by the Company on 27 July 2010, the perpetual subordinated convertible securities (the “**Convertible Securities**”) were issued by a wholly owned subsidiary of the Company, in an aggregate principal amount of USD900 million. The net proceeds from the issue of the Convertible Securities were applied in financing new and existing projects (including construction costs and land costs) and for general corporate purpose. Details of Convertible Securities are set out in note 13 to the unaudited condensed consolidated interim financial information.

## Capital Securities

As announced by the Company on 6 May 2011, the perpetual subordinated capital securities callable 2016 (the “**Capital Securities**”) were issued by a wholly-owned subsidiary of the Company, in an aggregate principal amount of USD400 million. The net proceeds from the issue of the Capital Securities were approximately USD388 million and were applied to finance new and existing projects (including construction costs, land costs and investment properties) and for general corporate purposes. Details of Capital Securities are set out in note 12 to the unaudited condensed consolidated interim financial information.

## Corporate Governance and Other Information

### Purchase, Sale or Redemption of the Company's Listed Securities

During the period under review, the Company repurchased 7,000,000 shares on the Stock Exchange at an aggregate consideration of approximately HKD25 million. The repurchases were effected by the directors of the Company with a view to benefit shareholders as a whole in enhancing the net assets and earnings per share of the Company. Details of the repurchases are as follows:

Month of the repurchases	Total number of shares repurchased	Highest price paid per share (HKD)	Lowest price paid per share (HKD)	Aggregate consideration (HKD million)
June 2011	7,000,000	3.65	3.57	25

All 7,000,000 shares repurchased were cancelled upon delivery of the share certificates during the period under review.

Apart from the share repurchased as disclosed above and those set out above in the paragraph headed "Restricted Share Award Scheme", neither the Company nor any of its subsidiaries had purchased, sold or redeemed any of the listed securities of the Company during the period under review.

### Review of Interim Financial Statements

The unaudited interim financial statements for the six months ended 30 June 2011 have been reviewed by the auditors of the Company, PricewaterhouseCoopers, in accordance with Hong Kong Standard on Review Engagements 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Hong Kong Institute of Certified Public Accountants, the report of which is included on page 70.

### Audit Committee

The audit committee of the Company (the "Audit Committee") consists of three independent non-executive directors of the Company, namely Mr. TSANG Hing Lun, Mr. GU Yunchang and Mr. HAN Xiaojing. Mr. TSANG Hing Lun, who has professional qualifications in accountancy, is the chairman of the Audit Committee. The Audit Committee has reviewed the accounting principles and practices adopted by the Group and the unaudited condensed consolidated financial statements for the six months ended 30 June 2011.

### Remuneration and Nomination Committee

The remuneration and nomination committee of the Company (the "Remuneration and Nomination Committee") comprises three members, all being independent non-executive directors, namely Mr. HAN Xiaojing, Mr. GU Yunchang and Mr. ZHAO Kang. Mr. HAN Xiaojing is the chairman of the Remuneration and Nomination Committee. The main duties of the Remuneration and Nomination Committee are to make recommendations and proposals to the Board in respect of the remuneration policies and structures for the directors and senior management, and to review and approve the remunerations which are determined based on the results and performance by making reference to the Company's objectives approved from time to time by the Board. In addition, the Remuneration and Nomination Committee will also nominate candidates for directorship, consider director nominations for directorship and make recommendations to the Board in respect of such appointments. If necessary, the Remuneration and Nomination Committee will also convene meetings and submit reports to the Board.

### Code on Corporate Governance Practices

In the opinion of the Board, the Company has complied with the provisions of the Code on Corporate Governance Practices (the "CG Code") as set out in Appendix 14 to the Listing Rules throughout the six months ended 30 June 2011, except for the deviation from the code A.2.1 of the CG Code with the explanation as below:

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

Since Mr. LI Jianhong resigned as the chairman of the Company with effect from 23 March 2010, Mr. LI Ming was appointed as the chairman (the “**Chairman**”) and remains as the chief executive officer of the Company (the “**Chief Executive Officer**”). The roles of the Chairman and the Chief Executive Officer have not been segregated as required under code A.2.1 of the CG Code, however, the Company considers that the combination of the roles of the Chairman and the Chief Executive Officer involve a realignment of power and authority under the existing corporate structure and facilitate the ordinary business activities of the Company. Although the responsibilities of the Chairman and the Chief Executive Officer are vested in one person, all major decisions are made in consultation with the Board and the senior management of the Company. There are four independent non-executive directors and three non-executive directors in the Board. The Board considers that there is sufficient balance of power and that the current arrangement maintains a strong management position and also facilitates the ordinary business activities of the Company. The Board will review the current structure from time to time and will make any necessary arrangement as appropriate.

## **Model Code for Securities Transactions by Directors of Listed Companies**

The Group has adopted a code of conduct regarding directors’ securities transactions (the “**Code of Conduct**”) on standards no less exacting than those required in the Model Code. The Company has made specific enquiries with all the directors of the Company and each of them has confirmed that he or she had complied with all required standard set out in the Code of Conduct.

## **Disclosure of Directors’ Information Pursuant to Rule 13.51B(1) of the Listing Rules**

### **Directors’ Updated Biographical Details**

The changes in the biographical details of the directors of the Company since the publication of the 2010 annual report in March 2011 are set out below:

Mr. HAN Xiaojing ceased to be a supervisor of Beijing Capital International Airport Company Limited, a company listed on the Stock Exchange, with effect from 15 June 2011. Mr. Han became an independent non-executive director of Far East Horizon Limited, a company listed on Stock Exchange, with effect from 30 March 2011.

Mr. GU Yunchang ceased to be an independent non-executive director of Shimao Property Holdings Limited, a company listed on the Stock Exchange, with effect from 12 May 2011.

Directors’ updated biographies are available on the Company’s website.

Save as disclosed above, as at 30 June 2011, there had not been any other changes to the directors’ information as required to be disclosed pursuant to Rule 13.51B(1) of the Listing Rules.

### **Interim Dividend and Book Closure**

The Board has declared an interim dividend of HKD0.05 per share (2010: HKD0.05 per share) to shareholders whose names appear on the Company’s register of members on 16 September 2011. The interim dividend will be paid on or about 4 October 2011. The register of members of the Company will be closed from 14 September 2011 to 16 September 2011, both days inclusive, during which period no transfer of shares will be effected. To qualify for the interim dividend, all transfer documents together with relevant share certificates must be lodged with the share registrar of the Company, Computershare Hong Kong Investor Services Limited at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen’s Road East, Wanchai, Hong Kong for registration no later than 4:30 p.m. on 12 September 2011.



# Corporate Information

## Directors

### *Executive Directors*

Mr. LI Ming (*Chairman*)

Mr. WANG Xiaoguang

Mr. CHEN Runfu

### *Non-executive Directors*

Ms. LIU Hui

Mr. YANG Zheng

Mr. CHEUNG Vincent Sai Sing

### *Independent non-executive Directors*

Mr. TSANG Hing Lun

Mr. GU Yunchang

Mr. HAN Xiaojing

Mr. ZHAO Kang

## Audit Committee

Mr. TSANG Hing Lun

Mr. GU Yunchang

Mr. HAN Xiaojing

## Remuneration and Nomination Committee

Mr. HAN Xiaojing

Mr. GU Yunchang

Mr. ZHAO Kang

## Investment Committee

Mr. LI Ming

Mr. CHEN Runfu

Mr. TSANG Hing Lun

Mr. GU Yunchang

Mr. HAN Xiaojing

Mr. ZHAO Kang

## Company Secretary

Mr. SUM Pui Ying, Adrian

## Authorized Representatives

Mr. LI Ming

Mr. SUM Pui Ying, Adrian

## Registered Office

Suite 601, One Pacific Place

88 Queensway

Hong Kong

## Principal Place of Business

31 - 33 Floor, Tower A

Ocean International Center

56 Dongsihuanzhonglu

Chaoyang District

Beijing

PRC

## **Principal Bankers**

Bank of Beijing Co., Ltd.  
Industrial and Commercial Bank of China, Ltd.  
China Everbright Bank Company Limited  
Heng Seng Bank Limited  
China Construction Bank Corporation  
Bank of Communications Co., Ltd.  
China Minsheng Banking Corp., Ltd.  
Agricultural Bank of China, Ltd.  
China CITIC Bank Corporation Ltd.  
China Merchants Bank Co., Ltd.  
Bank of China Limited  
Bank of China (Hong Kong) Limited  
Standard Chartered Bank (Hong Kong) Limited  
Industrial and Commercial Bank of China (Asia) Ltd.  
DBS Bank Limited

## **Auditor**

PricewaterhouseCoopers

## **Legal Advisor**

Paul Hastings

## **Share Registrar**

Computershare Hong Kong Investor  
Services Limited  
Shops 1712-1716, 17th Floor  
Hopewell Centre  
183 Queen's Road East  
Wanchai  
Hong Kong

## **Listing Information**

The Stock Exchange of Hong Kong Limited  
Stock Code : 03377

## **Company Website**

[www.sinooceanland.com](http://www.sinooceanland.com)

## **Investor Relations Contact**

[ir@sinooceanland.com](mailto:ir@sinooceanland.com)  
Tel: +852 2248 1026



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## Condensed Consolidated Interim Balance Sheet

	Note	As at 30 June 2011 RMB'000 (Unaudited)	As at 31 December 2010 RMB'000 (Audited)
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property, plant and equipment	7	223,509	214,895
Land use rights	7	9,600	9,723
Investment properties	8	4,838,572	4,988,572
Goodwill		642,119	705,572
Interests in jointly controlled entities		674,954	687,826
Interests in associates		390,857	397,458
Available-for-sale financial assets	9	638,277	433,886
Trade and other receivables	10	88,234	85,367
Deferred income tax assets		968,268	814,244
<b>Total non-current assets</b>		<b>8,474,390</b>	8,337,543
<b>Current assets</b>			
Deposits for land use rights		10,487,719	18,825,060
Properties under development		56,597,999	41,393,331
Inventories, at cost		391,177	231,280
Land development cost recoverable		2,549,153	2,439,138
Completed properties held for sale		2,602,855	2,648,568
Available-for-sale financial assets	9	232,663	181,663
Other investment		26,877	43,707
Financial assets at fair value through profit or loss		80,126	29,101
Trade and other receivables	10	3,964,262	3,566,474
Restricted bank deposits		2,482,356	1,057,378
Cash and cash equivalents		9,711,750	13,977,211
Assets classified as held for sale	24	89,126,937 159,833	84,392,911 —
<b>Total current assets</b>		<b>89,286,770</b>	84,392,911
<b>Total assets</b>		<b>97,761,160</b>	92,730,454

## Condensed Consolidated Interim Balance Sheet

	Note	As at 30 June 2011 RMB'000 (Unaudited)	As at 31 December 2010 RMB'000 (Audited)
<b>EQUITY</b>			
<b>Equity attributable to equity holders of the Company</b>			
Share capital and premium	11	20,234,104	20,121,412
Shares held for Restricted Share Award Scheme	11	(128,631)	(95,986)
Reserves		12,038	(226,865)
Capital securities	12	2,532,866	—
Convertible securities	13	5,969,279	5,970,266
Retained earnings			
– proposed dividends		232,544	379,758
– others		5,538,783	4,922,121
		<b>34,390,983</b>	31,070,706
<b>Non-controlling interests</b>		<b>3,451,378</b>	2,055,098
<b>Total equity</b>		<b>37,842,361</b>	33,125,804
<b>LIABILITIES</b>			
<b>Non-current liabilities</b>			
Borrowings	14	18,216,497	19,276,159
Deferred income tax liabilities		1,268,066	1,351,372
<b>Total non-current liabilities</b>		<b>19,484,563</b>	20,627,531
<b>Current liabilities</b>			
Borrowings	14	10,252,224	9,920,123
Trade and other payables	15	9,158,814	10,831,635
Advances from customers		19,097,285	16,234,852
Current income tax liabilities		1,886,654	1,990,509
		<b>40,394,977</b>	38,977,119
Liabilities directly associated with assets classified as held for sale	24	39,259	—
<b>Total current liabilities</b>		<b>40,434,236</b>	38,977,119
<b>Total liabilities</b>		<b>59,918,799</b>	59,604,650
<b>Total equity and liabilities</b>		<b>97,761,160</b>	92,730,454
<b>Net current assets</b>		<b>48,852,534</b>	45,415,792
<b>Total assets less current liabilities</b>		<b>57,326,924</b>	53,753,335

The notes on pages 44 to 69 form an integral part of this condensed consolidated interim financial information.

# Condensed Consolidated Interim Income Statement

		<b>Unaudited</b>	
		<b>Six months ended 30 June</b>	
	Note	<b>2011</b>	2010
		<b>RMB'000</b>	RMB'000
<b>Continuing Operations:</b>			
Revenue	6	<b>7,904,485</b>	4,753,217
Cost of sales		<b>(5,563,997)</b>	(3,547,088)
<b>Gross profit</b>		<b>2,340,488</b>	1,206,129
Interest and other income		<b>189,106</b>	109,028
Other (losses)/gains - net	16	<b>(628)</b>	183,100
Fair value gain on investment properties	8	<b>—</b>	462,949
Selling and marketing expenses		<b>(251,355)</b>	(157,685)
Administrative expenses		<b>(195,667)</b>	(155,702)
<b>Operating profit</b>	17	<b>2,081,944</b>	1,647,819
Finance costs		<b>(97,100)</b>	(30,534)
Share of losses of jointly controlled entities		<b>(4,716)</b>	(1,459)
Share of losses of associates		<b>(6,601)</b>	(6,002)
<b>Profit before income tax</b>		<b>1,973,527</b>	1,609,824
Income tax expense	18	<b>(875,570)</b>	(448,027)
<b>Profit from continuing operations</b>		<b>1,097,957</b>	1,161,797
Loss from discontinued operations		<b>—</b>	(5,378)
<b>Profit for the period</b>		<b>1,097,957</b>	1,156,419
<b>Profit attributable to:</b>			
Equity holders of the Company		<b>1,096,066</b>	1,152,099
Non-controlling interests		<b>1,891</b>	4,320
		<b>1,097,957</b>	1,156,419
Basic earnings per share for profit/(loss) attributable to equity holders of the Company (expressed in RMB)			
– Continuing operations	19	<b>0.154</b>	0.205
– Discontinued operations	19	<b>—</b>	(0.001)
		<b>0.154</b>	0.204
Diluted earnings per share for profit/(loss) attributable to equity holders of the Company (expressed in RMB)			
– Continuing operations	19	<b>0.154</b>	0.205
– Discontinued operations	19	<b>—</b>	(0.001)
		<b>0.154</b>	0.204
Interim dividends	20	<b>232,544</b>	245,904

The notes on page 44 to 69 form an integral part of this condensed consolidated interim financial information.



## Condensed Consolidated Interim Statement of Comprehensive Income

	Unaudited Six months ended 30 June	
	2011 RMB'000	2010 RMB'000
<b>Profit for the period</b>	<b>1,097,957</b>	1,156,419
<b>Other comprehensive losses:</b>		
Fair value losses on available-for-sale financial assets	<b>(32,870)</b>	(95,507)
Currency translation differences	<b>(14,676)</b>	(5,135)
<b>Other comprehensive losses for the period</b>	<b>(47,546)</b>	(100,642)
<b>Total comprehensive income for the period</b>	<b>1,050,411</b>	1,055,777
<b>Total comprehensive income attributable to:</b>		
- Equity holders of the Company	<b>1,048,520</b>	1,051,457
- Non-controlling interests	<b>1,891</b>	4,320
	<b>1,050,411</b>	1,055,777
<b>Total comprehensive income attributable to equity holders of the Company arises from:</b>		
- Continuing operations	<b>1,048,520</b>	1,056,835
- Discontinued operations	—	(5,378)
	<b>1,048,520</b>	1,051,457

The notes on page 44 to 69 form an integral part of this condensed consolidated interim financial information.

# Condensed Consolidated Interim Statement of Changes in Equity

	Unaudited									
	Attributable to equity holders									
	Share capital RMB'000	Share premium RMB'000	Share Award Scheme RMB'000	Share held for Restricted Other reserves RMB'000	Capital securities RMB'000	Convertible securities RMB'000	Retained earnings RMB'000	Total RMB'000	Non-controlling interests RMB'000	Total equity RMB'000
<b>Balance at 1 January 2011</b>	4,290,394	15,831,018	(95,986)	(226,865)	–	5,970,266	5,301,879	31,070,706	2,055,098	33,125,804
Profit for the period	–	–	–	–	–	–	1,096,066	1,096,066	1,891	1,097,957
Other comprehensive income:										
Fair value losses on available-for-sale financial assets	–	–	–	(32,870)	–	–	–	(32,870)	–	(32,870)
Currency translation differences	–	–	–	(14,676)	–	–	–	(14,676)	–	(14,676)
<b>Total comprehensive income for the period ended 30 June 2011</b>	–	–	–	(47,546)	–	–	1,096,066	1,048,520	1,891	1,050,411
<b>Transactions with equity holders</b>										
Dividends relating to 2010 paid in June 2011 (Note 20)	23,102	93,187	–	–	–	–	(376,076)	(259,787)	–	(259,787)
Fair value reserve on share based payment	–	–	–	32,705	–	–	–	32,705	–	32,705
Issue of shares pursuant to exercise of employee share options (Note 11)	336	736	–	(410)	–	–	410	1,072	–	1,072
Restricted share held for the Restricted Share Award Scheme	–	–	(32,645)	–	–	–	–	(32,645)	–	(32,645)
Share buyback (Note 11)	(4,669)	–	–	4,669	–	–	(21,278)	(21,278)	–	(21,278)
Issue of capital securities	–	–	–	–	2,532,866	–	–	2,532,866	–	2,532,866
Adjusted for accrued expenses on issuing convertible securities	–	–	–	–	–	(987)	–	(987)	–	(987)
Distribution relating to convertible securities	–	–	–	–	–	–	(229,674)	(229,674)	–	(229,674)
Transaction with non-controlling interests (Note 23)	–	–	–	249,485	–	–	–	249,485	1,274,389	1,523,874
Contribution from non-controlling interests	–	–	–	–	–	–	–	–	120,000	120,000
<b>Total transactions with equity holders</b>	18,769	93,923	(32,645)	286,449	2,532,866	(987)	(626,618)	2,271,757	1,394,389	3,666,146
<b>Balance at 30 June 2011</b>	4,309,163	15,924,941	(128,631)	12,038	2,532,866	5,969,279	5,771,327	34,390,983	3,451,378	37,842,361

## Condensed Consolidated Interim Statement of Changes in Equity

	Unaudited									
	Attributable to equity holders									
	Share capital RMB'000	Share premium RMB'000	Share held for Restricted Share Award Scheme RMB'000	Other reserves RMB'000	Capital securities RMB'000	Convertible securities RMB'000	Retained earnings RMB'000	Total RMB'000	Non-controlling interests RMB'000	Total equity RMB'000
<b>Balance at 1 January 2010</b>	4,289,174	15,828,349	—	(485,282)	—	—	3,735,638	23,367,879	518,535	23,886,414
Profit for the period	—	—	—	—	—	—	1,152,099	1,152,099	4,320	1,156,419
Other comprehensive income:										
Fair value losses on available-for-sale financial assets	—	—	—	(95,507)	—	—	—	(95,507)	—	(95,507)
Currency translation differences	—	—	—	(5,135)	—	—	—	(5,135)	—	(5,135)
<b>Total comprehensive income for the period ended 30 June 2010</b>	—	—	—	(100,642)	—	—	1,152,099	1,051,457	4,320	1,055,777
<b>Transactions with equity holders</b>										
Dividends relating to 2009 paid in June 2010 (Note 20)	—	—	—	—	—	—	(247,046)	(247,046)	—	(247,046)
Fair value reserve on share based payment	—	—	—	70,049	—	—	—	70,049	—	70,049
Issue of shares pursuant to exercise of employee share options (Note 11)	546	1,194	—	—	—	—	—	1,740	—	1,740
Decrease in non-controlling interests as a result of acquisition of additional interests in subsidiaries from non-controlling interests	—	—	—	(55,107)	—	—	—	(55,107)	(169,187)	(224,294)
Increase in non-controlling interests as a result of business combination	—	—	—	—	—	—	—	—	419,862	419,862
Contribution from non-controlling interests	—	—	—	—	—	—	—	—	7,500	7,500
<b>Total transactions with equity holders</b>	546	1,194	—	14,942	—	—	(247,046)	(230,364)	258,175	27,811
<b>Balance at 30 June 2010</b>	4,289,720	15,829,543	—	(570,982)	—	—	4,640,691	24,188,972	781,030	24,970,002

The notes on page 44 to 69 form an integral part of this condensed consolidated interim financial information.



## Condensed Consolidated Interim Cash Flow Statement

	<b>Unaudited</b>	
	<b>Six months ended 30 June</b>	
	<b>2011</b>	2010
	<b>RMB'000</b>	RMB'000
Net cash used in operating activities	<b>(6,282,337)</b>	(11,371,207)
Net cash used in investing activities	<b>(390,994)</b>	(908,197)
Net cash generated from financing activities	<b>2,465,245</b>	8,275,090
Net decrease in cash and cash equivalents	<b>(4,208,086)</b>	(4,004,314)
Cash and cash equivalents at beginning of the period	<b>13,977,211</b>	17,619,619
Exchange losses on cash and cash equivalents	<b>(57,375)</b>	(29,994)
Cash and cash equivalents at end of the period	<b>9,711,750</b>	13,585,311

The notes on page 44 to 69 form an integral part of this condensed consolidated interim financial information.

# Notes to the Unaudited Condensed Consolidated Interim Financial Information

## 1 General information

Sino-Ocean Land Holdings Limited (the “Company”) and its subsidiaries (together, the “Group”) are principally engaged in investment holding, property development and property investment in the People’s Republic of China (the “PRC”).

The Company is a limited liability company incorporated on 12 March 2007 in Hong Kong. The address of its registered office is Suite 601, One Pacific Place, 88 Queensway, Hong Kong.

The Company’s shares are listed on the Main Board of The Stock Exchange of Hong Kong Limited (“HKSE”).

This condensed consolidated interim financial information are presented in Renminbi (“RMB”), unless otherwise stated.

This condensed consolidated interim financial information has not been audited and was approved for issue on 18 August 2011 by the board of directors (the “Board”) of the Company.

### Key events

The operational highlight of the period was the acquisition of additional 30% interests in Chongqing Golf Club Company Limited, a real estate company, as well as the disposal of 49% interests in Poly Link Management Limited and Chengdu Tongyi Real Estate Company Limited. All of these changes in ownership interests have not resulted in changes of control. Further details of these transactions are given in Note 23.

On 12 May 2011, Gemini Investments (Holdings) Limited, a subsidiary of the Group announced the disposal of Klendo Limited, a 90% owned subsidiary of the Company. Further details are given in Note 24.

On 13 May 2011, the Group successfully issued and listed certain perpetual subordinated capital securities on the Singapore Exchange Securities Trading Limited. Further details are given in Note 12.

## 2 Basis of preparation

This condensed consolidated interim financial information for the six months ended 30 June 2011 has 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”). This condensed consolidated interim financial information should be read in conjunction with the annual financial statements for the year ended 31 December 2010, which have been prepared in accordance with Hong Kong Financial Reporting Standards (“HKFRS”).

## 3 Accounting policies

Except as described below, the accounting policies applied are consistent with those of the annual financial statements for the year ended 31 December 2010, as described in those annual financial statements.

Taxes on income in the interim periods are accrued using the tax rate that would be applicable to expected total annual earnings.

The following revised standards, amendments to standards and interpretations are mandatory for the first time for the financial year beginning on 1 January 2011:

HKAS 24 (Revised)	Related Party Disclosures
HKAS 34 (Amendment)	Interim Financial Reporting
HKAS 32 (Amendment)	Classification of rights issues
HK (IFRIC) int-14 (Amendment)	Prepayments of a minimum funding requirement

In addition, the HKICPA also issued its third improvements to HKFRS in May 2010. All improvements are effective in the financial year of 2011.

### **3 Accounting policies (Continued)**

The adoption of the above revised standards, amendments to standards and interpretations does not have any significant impact to the results and financial position of the Group for the six months ended 30 June 2011.

There are certain other new standards and amendments to standards that are not yet effective for the financial year beginning on 1 January 2011 and have not been early adopted. Management is currently assessing their related impacts to the Group.

### **4 Estimates**

The preparation of this condensed consolidated interim financial information requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates.

In preparing this condensed consolidated interim financial information, significant judgments made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the consolidated financial statements for the year ended 31 December 2010.

### **5 Financial risk management**

#### **5.1 Financial risk factors**

The Group's activities expose it to a variety of financial risks: market risk (including currency risk, fair value interest rate risk, cash flow interest rate risk and price risk), credit risk and liquidity risk.

This interim condensed consolidated interim financial information do not include all financial risk management information and disclosures required in the annual financial statements, and should be read in conjunction with the Group's annual financial statements as at 31 December 2010. There have been no changes in the risk management department since year end or in any risk management policies.

#### **5.2 Liquidity risk**

Compared to year end, there was no material change in the contractual undiscounted cash out flows for financial liabilities.

#### **5.3 Fair value estimation**

The table below analyses financial instruments carried at fair value, by valuation method. The different levels have been defined as follows:

- Quoted prices (unadjusted) in active markets for identical assets or liabilities (level 1).
- Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices) (level 2).
- Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs) (level 3).

## Notes to the Unaudited Condensed Consolidated Interim Financial Information

### 5 Financial risk management (Continued)

#### 5.3 Fair value estimation (Continued)

The following table presents the Group's assets that are measured at fair value at 30 June 2011 and 31 December 2010:

	Level 1	Level 2	Level 3	Total
<b>Group</b>				
As at 30 June 2011				
Other investment	26,877	—	—	26,877
Financial assets at fair value through profit or loss	80,126	—	—	80,126
Available-for-sale financial assets: equity securities (Note 9)	638,277	—	232,663	870,940
	745,280	—	232,663	977,943
<b>Group</b>				
As at 31 December 2010				
Other investment	43,707	—	—	43,707
Financial assets at fair value through profit or loss	29,101	—	—	29,101
Available-for-sale financial assets: equity securities (Note 9)	433,886	—	181,663	615,549
	506,694	—	181,663	688,357

The fair value of financial instruments traded in active markets is based on quoted market prices at the balance sheet date. A market is regarded as active if quoted prices are readily and regularly available from an exchange, dealer, broker, industry group, pricing service, or regulatory agency, and those prices represent actual and regularly occurring market transactions on an arm's length basis. The quoted market price used for financial assets held by the Group is the current bid price. These instruments are included in level 1. Instruments included in level 1 comprise primarily HKSE equity investments classified as available-for-sale.

The fair value of financial instruments that are not traded in an active market is determined by using valuation techniques. These valuation techniques maximise the use of observable market data where it is available and rely as little as possible on entity specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3.

In 2011 there were no significant changes in the business or economic circumstances that affect the fair value of the Group's financial assets and financial liabilities.

In 2011 there were no reclassifications of financial assets.



## 6 Segment information

Management has determined the operating segments based on these reports reviewed by the Committee that are used to make strategic decisions.

The Committee considers the business from both a geographic and product perspective. From the product perspective, management considers the performance of property development and property investment. Property development businesses are further segregated geographically into Beijing, Tianjin, North-east as well as all other territories.

Other operations as carried out by the Group mainly include property management services, hotel operation, property sales agency services, as well as upfitting services. These are not included within the reportable operating segments, as they are not included in the reports provided to the Committee. The results of these operations are included in the "All other segments" column.

The Committee assesses the performance of the operating segments based on a measure of operating profit. This measurement basis excludes the effects of non-recurring expenditure from the operating segments. Finance costs and income are not included in the result for each operating segment that is reviewed by the Committee, as they are driven by activities of the central treasury function, which manages the cash position of the Group. The measure also excludes the effects of any unrealized gains/losses from investments in jointly controlled entities and associates as well as fair value gains/losses from investment properties. Other information provided to the Committee, except as noted below, is measured in a manner consistent with that in the financial statements.

Total segment assets exclude corporate cash and cash equivalents, investments in jointly controlled entities and associates, deferred tax and available-for-sale financial assets, all of which are managed on a central basis. These are part of the reconciliation to total balance sheet assets.

Revenue consists of sales from the property development segment, which mainly represent property sales income, and rental income as derived from the investment property segment, which are RMB7,318,400,000 and RMB157,337,000 for the six months ended 30 June 2011 and RMB4,443,311,000 and RMB94,665,000 for the six months ended 30 June 2010 respectively.

In prior year, risks and rewards of the Group's properties held for sales are passed on the actual date of delivery of the relevant properties to customers. Commencing 1 January 2011, the delivery of property sales and transfer of ownership of the properties to the customers are deemed to be the earlier of the actual date of delivery or the first day after the last day of the delivery period as stipulated in the property delivery notice.

## Notes to the Unaudited Condensed Consolidated Interim Financial Information

### 6 Segment information (Continued)

Transactions between segments are carried out at arm's length. The revenue from external parties reported to the Committee is measured in a manner consistent with that in the condensed consolidated interim income statement of comprehensive income.

	Unaudited									
	Property development				Investment property	Total	All other businesses	Inter-company elimination	Discontinued operations	Group total
	Beijing	Tianjin	North-east	Others						
Six months ended 30 June 2011										
Total segment revenue	2,636,020	1,468,129	1,443,949	1,833,922	160,060	7,542,080	1,318,054	—	—	8,860,134
Inter-segment revenue	(63,620)	—	—	—	(2,723)	(66,343)	(889,306)	—	—	(955,649)
Revenue (from external customers)	2,572,400	1,468,129	1,443,949	1,833,922	157,337	7,475,737	428,748	—	—	7,904,485
Segment operating profit	838,362	446,569	437,245	498,200	117,436	2,337,812	229,916	(378,590)	—	2,189,138
Depreciation and amortization	(776)	(788)	(3,357)	(3,658)	(221)	(8,800)	(17,424)	—	—	(26,224)
Goodwill impairment	—	(6,829)	—	(56,624)	—	(63,453)	—	—	—	(63,453)
Income tax expense (Note 18)	(297,944)	(170,418)	(157,296)	(242,719)	9,214	(859,163)	(16,407)	—	—	(875,570)
Finance income	49,928	51,408	137,925	46,201	3,590	289,052	38,037	(325,642)	—	1,447
Six months ended 30 June 2010										
Total segment revenue	2,702,278	377,671	830,952	532,410	98,024	4,541,335	473,820	—	17,113	5,032,268
Inter-segment revenue	—	—	—	—	(3,359)	(3,359)	(258,579)	—	—	(261,938)
Revenue (from external customers)	2,702,278	377,671	830,952	532,410	94,665	4,537,976	215,241	—	17,113	4,770,330
Segment operating profit	645,737	38,410	212,148	127,217	63,342	1,086,854	367,598	(134,687)	(1,119)	1,318,646
Depreciation and amortization	(3,762)	(601)	(3,286)	(1,885)	(1,016)	(10,550)	(5,679)	—	(1,844)	(18,073)
Goodwill impairment	—	(1,945)	—	(24,566)	—	(26,511)	—	—	—	(26,511)
Income tax expense (Note 18)	(94,347)	(9,799)	(110,686)	(121,955)	(11,132)	(347,919)	(100,108)	—	—	(448,027)
Finance income	39,232	14,517	56,895	21,742	1,555	133,941	60,252	(161,844)	—	32,349

## 6 Segment information (Continued)

	Property development				Investment property RMB'000	Total RMB'000	All other businesses RMB'000	Inter-company elimination RMB'000	Group total RMB'000
	Beijing RMB'000	Tianjin RMB'000	North-east RMB'000	Others RMB'000					
<b>As at 30 June 2011 (Unaudited)</b>									
Total segment assets	33,173,281	11,106,668	29,811,078	29,323,144	5,656,446	109,070,617	22,470,563	(41,790,423)	89,750,757
Additions to non-current assets (other than financial instruments and deferred tax assets)	492	1,389	2,156	7,124	48	11,209	24,264	—	35,473
<b>Total segment Liabilities</b>	<b>12,608,028</b>	<b>3,228,557</b>	<b>8,950,415</b>	<b>11,248,022</b>	<b>1,083,010</b>	<b>37,118,032</b>	<b>19,663,261</b>	<b>(26,795,876)</b>	<b>29,985,417</b>
<b>As at 31 December 2010 (Audited)</b>									
Total segment assets	33,940,037	9,569,868	25,535,994	20,616,400	5,274,465	94,936,764	19,395,793	(34,540,220)	79,792,337
Additions to non-current assets (other than financial instruments and deferred tax assets)	140,124	3,101	10,381	42,715	299,298	495,619	37,707	—	533,326
<b>Total segment Liabilities</b>	<b>16,232,942</b>	<b>3,661,878</b>	<b>7,428,596</b>	<b>9,087,159</b>	<b>1,202,665</b>	<b>37,613,240</b>	<b>15,198,662</b>	<b>(23,958,923)</b>	<b>28,852,979</b>

A reconciliation of segment operating profit to profit before income tax is provided as follows:

	Unaudited Six months ended 30 June	
	2011 RMB'000	2010 RMB'000
Segment operating profit	<b>2,189,138</b>	1,318,646
Corporate finance income	<b>29,418</b>	41,502
Corporate overheads	<b>(136,612)</b>	(176,396)
Finance costs	<b>(97,100)</b>	(34,794)
Fair value gain on investment properties(Note 8)	—	462,949
Share of losses of jointly controlled entities	<b>(4,716)</b>	(1,459)
Share of losses of associates	<b>(6,601)</b>	(6,002)
<b>Profit before income tax</b>	<b>1,973,527</b>	1,604,446

## Notes to the Unaudited Condensed Consolidated Interim Financial Information

### 6 Segment information (Continued)

Reportable and other segments' assets and liabilities are reconciled to total assets and liabilities as follows:

	<b>30 June 2011 (Unaudited) RMB'000</b>	31 December 2010 (Audited) RMB'000
Total segment assets	<b>89,750,757</b>	79,792,337
Corporate cash and cash equivalents	<b>4,998,381</b>	10,350,232
Investment in jointly controlled entities	<b>674,954</b>	687,826
Investment in associates	<b>390,857</b>	397,458
Available-for-sale financial assets (Note 9)	<b>870,940</b>	615,549
Financial assets at fair value through profit or loss	<b>80,126</b>	29,101
Other investment	<b>26,877</b>	43,707
Deferred income tax assets	<b>968,268</b>	814,244
<b>Total assets per consolidated balance sheet</b>	<b>97,761,160</b>	92,730,454
Total segment liabilities	<b>29,985,417</b>	28,852,979
Deferred income tax liabilities	<b>1,268,066</b>	1,351,372
Current borrowings (Note 14)	<b>10,252,224</b>	9,920,123
Non-current borrowings (Note 14)	<b>18,216,497</b>	19,276,159
Distribution payable (Note 13)	<b>196,595</b>	204,017
<b>Total liabilities per consolidated balance sheet</b>	<b>59,918,799</b>	59,604,650

The Company is domiciled in Hong Kong and most of its main subsidiaries domiciled in the mainland of China. All revenues from external customers of the Group are derived in the mainland of China for the six months ended 30 June 2011 and 2010.

As at 30 June 2011, the total of non-current assets other than financial instruments and deferred tax assets located in the mainland of China is RMB6,737,524,000 (31 December 2010: RMB6,873,008,000), and the total of these non-current assets located in Hong Kong is RMB130,321,000 (31 December 2010: RMB131,038,000).

For the six months ended 30 June 2011 and 2010, the Group do not have any single significant customer with transaction value above 10% of the Group's total external sales.



## 7 Property, plant and equipment and land use rights

	Unaudited	
	Property, plant and equipment RMB'000	Land use rights RMB'000
<b>Opening net book amount as at 1 January 2011</b>	<b>214,895</b>	<b>9,723</b>
Additions	35,473	—
Disposals	(758)	—
Depreciation and amortization	(26,101)	(123)
<b>Closing net book amount as at 30 June 2011</b>	<b>223,509</b>	<b>9,600</b>
<b>Opening net book amount as at 1 January 2010</b>	324,867	38,964
Additions	39,057	—
Disposals	(1,578)	—
Acquisition of subsidiaries	31,218	59,755
Depreciation and amortization	(16,887)	(1,186)
Disposal of a subsidiary	(169,627)	(28,714)
<b>Closing net book amount as at 30 June 2010</b>	<b>207,050</b>	<b>68,819</b>

Building with carrying values of RMB72,552,000 and RMB73,341,000 and land use rights with carrying values of RMB6,257,000 and RMB6,329,000 were pledged as collateral for the Group's borrowings (Note 14) as at 30 June 2011 and 31 December 2010 respectively.

## 8 Investment properties

	Unaudited	
	Six months ended 30 June	
	2011 RMB'000	2010 RMB'000
Opening net book amount at beginning of the period	<b>4,988,572</b>	3,984,000
Transfer from completed properties held for sale	—	167,051
Investment property classified as held for sale (Note 24)	<b>(150,000)</b>	—
Fair value gain	—	462,949
Closing net book amount at end of the period	<b>4,838,572</b>	4,614,000

Investment properties for the carrying values of RMB3,923,081,000 and RMB 2,906,425,000 were pledged as collateral for the Group's borrowings (Note 14) as at 30 June 2011 and 31 December 2010 respectively.

**9 Available-for-sale financial assets**

	<b>As at 30 June 2011 RMB'000 (Unaudited)</b>	As at 31 December 2010 RMB'000 (Audited)
Investment in listed securities held in the SOL Fund (a)	<b>638,277</b>	433,886
Investment in other unlisted equity securities (b)	<b>232,663</b>	181,663
	<b>870,940</b>	615,549
Less: non-current portion	<b>(638,277)</b>	(433,886)
Current portion	<b>232,663</b>	181,663

- (a) On 31 March 2008, SOL Investment Fund Limited ("SOL"), a special purpose entity of the Group, was incorporated in and under the laws of Cayman Islands, with the purpose of carrying out investment activities for the Group. The sole underlying investment in SOL is SOL Fund, representing a portfolio of investments in listed shares and its fair value as at 30 June 2011 as well as 31 December 2010 were based on the respective quoted closing price.
- (b) Available-for-sale financial assets of the Group include certain unlisted equity securities, all denominated in RMB. The fair values of unlisted securities are based on the net asset values of respective securities.

## 10 Trade and other receivables

	<b>As at 30 June 2011 RMB'000 (Unaudited)</b>	As at 31 December 2010 RMB'000 (Audited)
Trade receivables	<b>34,658</b>	71,562
Amounts due from customers for contract work	<b>157,247</b>	33,392
Less: provision for impairment of receivables	<b>(4,555)</b>	(6,051)
Trade receivables - net (a)	<b>187,350</b>	98,903
Prepayments for acquisition	—	51,000
Prepaid tax - income tax	<b>690,785</b>	567,954
Prepaid tax - others	<b>1,038,878</b>	886,796
Entrusted loan to third parties (b)	<b>414,500</b>	427,000
Entrusted loan to an associate (c)	<b>351,104</b>	337,239
Notes receivables (d)	<b>197,849</b>	202,543
Receivable from disposal of subsidiaries (e)	<b>115,465</b>	199,828
Amounts due from a jointly controlled entity	<b>197,765</b>	285,356
Receivable from disposal of land use rights	<b>152,676</b>	—
Other deposits and prepayments	<b>290,850</b>	270,006
Other receivables	<b>415,274</b>	325,216
	<b>4,052,496</b>	3,651,841
Less: non-current portion	<b>(88,234)</b>	(85,367)
Current portion	<b>3,964,262</b>	3,566,474

## 10 Trade and other receivables (Continued)

- (a) Ageing analysis of trade receivables and amounts due from customers for contract work at the respective balance sheet dates are as follows:

	<b>As at 30 June 2011 RMB'000 (Unaudited)</b>	As at 31 December 2010 RMB'000 (Audited)
Less than 6 months	<b>164,788</b>	71,230
6 months to 1 year	<b>20,171</b>	19,544
1 year to 2 years	<b>5,160</b>	5,697
2 years to 3 years	<b>1,272</b>	3,294
Over 3 years	<b>514</b>	5,189
	<b>191,905</b>	104,954

- (b) As at 30 June 2011, entrusted loans amounting to RMB414,500,000 (31 December 2010: RMB427,000,000) represent amounts lent to certain third parties. These balances are secured by respective share capital of the third parties, interest bearing from 4.86% to 12% (31 December 2010: from 4.86% to 12%), and are repayable on demand.
- (c) Entrusted loans to an associate are unsecured, interest bearing at rate 5.31% (2010: 5.31%) and are repayable before 9 March 2012.
- (d) On 8 January 2008, the Group subscribed notes receivables with an aggregate principal amount of USD30 million (the "Notes") from an independent third party. The Notes will be converted into shares of the issuer, at a conversion price calculated based on the terms as predetermined in the Notes, should the issuer successfully go on its initial public offering within 36 months from the subscription date. At any time after the 36th month from the subscription date, should the issuer failed to go on its initial public offering, the Group has an option to elect to receive USD30 million in cash, with respective interest calculated at a rate as predetermined in the Notes.

As at 30 June 2011, the Group, together with other subscribers of the Notes, was in arrangement with the issuer for repayments of the principal of the Notes, as well as respective interests. As at the date of this report, such arrangement for repayment is still in progress.

- (e) In October 2009, Moral King International Limited ("Moral King"), a wholly owned subsidiary, acquired 52,840,000 ordinary shares of Glorious Property Holding Limited ("Glorious"), a company incorporated in the Cayman Islands on 27 July 2007, and whose shares have been listed on the Main Board of The Stock Exchange of Hong Kong Limited, at price of HKD4.4 per share, totalling RMB206,872,000.

On 31 December 2010, the Group disposed of its entire investment in Glorious through disposals of subsidiaries to Win Powerful Investment Limited, an independent third party company incorporated in the British Virgin Islands, at a consideration approximated to the original cost of investment by the Group, totalling RMB199,828,000. The remaining consideration was due to be received in full by 31 December 2011.



## 11 Share capital and premium

	Number of ordinary shares of HKD 0.8 each	Nominal value of ordinary shares HK\$'000	Equivalent nominal value of ordinary shares RMB'000	Share premium RMB'000	Share held for Restricted Share Award Scheme RMB'000	Total RMB'000
Opening balance 1 January 2011	5,638,374,432	4,510,699	4,290,394	15,831,018	—	20,121,412
Issue of shares pursuant to exercise of employee share option(a)	499,500	400	336	736	—	1,072
Issue of scrip dividends	35,200,700	28,161	23,102	93,187	—	116,289
Share buyback	(7,000,000)	(5,600)	(4,669)	—	—	(4,669)
<b>At 30 June 2011</b>	<b>5,667,074,632</b>	<b>4,533,660</b>	<b>4,309,163</b>	<b>15,924,941</b>	<b>—</b>	<b>20,234,104</b>
Restricted Share Award Scheme (b)	(32,137,318)	—	—	—	(128,631)	(128,631)
	<b>5,634,937,314</b>	<b>4,533,660</b>	<b>4,309,163</b>	<b>15,924,941</b>	<b>(128,631)</b>	<b>20,105,473</b>
Opening balance 1 January 2010	5,636,626,432	4,509,301	4,289,174	15,828,349	—	20,117,523
Issue of shares pursuant to exercise of employee share option (a)	776,000	621	546	1,194	—	1,740
At 30 June 2010	5,637,402,432	4,509,922	4,289,720	15,829,543	—	20,119,263

(a) Employee share option scheme: options exercised during the period ended 30 June 2011 resulted in 499,500 shares being issued (30 June 2010: 776,000), with exercise proceeds of HKD1,274,000 (30 June 2010: HK\$1,979,000). The related weighted average price at the time of exercise was HKD2.55 (30 June 2010: HKD2.55) per share.

(b) On 22 March 2010, the board of the Company resolved to adopt a Restricted Share Award Scheme, pursuant to which existing shares are purchased from the market and be held in trust for the relevant selected Group of employees, until such shares are vested in accordance with the provision of the scheme.

As at 30 June 2011, 16,991,200 shares were granted but not yet vested to employees under the scheme.

### 12 Capital Securities

On 13 May 2011, Sino-Ocean Land (Perpetual Finance) Limited, a wholly owned subsidiary, issued a perpetual subordinated capital securities (the "capital securities") callable in 2016, with an initial aggregate principal amount of USD400,000,000.

Such capital securities are guaranteed by the Company, at the same time bear distribution at a rate of 10.25% per annum, payable semi-annually. The issuer of the capital securities may elect to defer distribution, and is not subject to any limits as to the number of times distribution can be deferred.

As the capital securities have no contracted obligation to repay its principal nor to pay any distributions, they do not meet the definition for classification of a financial liabilities under HKAS 32. As a result, the whole instrument is classified as equity, and respective distributions if and when declared are treated as equity dividends.

### 13 Convertible Securities

On 27 July 2010, Sino-Ocean Land Capital Finance Limited, a wholly owned subsidiary, issued a perpetual subordinated convertible securities (the "convertible securities") callable in 2015, with an initial aggregate principal amount of USD900,000,000.

Such convertible securities are guaranteed by and convertible into shares of the Company, at the same time bear distribution at a rate of 8% per annum, payable semi-annually. The issuer of the convertible securities may elect to defer distribution, and is not subject to any limits as to the number of times distribution can be deferred.

Holders of the convertible securities have the right to convert such convertible securities into shares of the Company at any time, commencing from 12 months after the issue date, at a fixed price of HKD6.85 per share.

As the convertible securities have no contracted obligation to repay its principal nor to pay any distributions, they do not meet the definition for classification of a financial liabilities under HKAS 32. As a result, the whole instrument is classified as equity, and respective distributions if and when declared are treated as equity dividends.

## 14 Borrowings

	<b>As at 30 June 2011 RMB'000 (Unaudited)</b>	As at 31 December 2010 RMB'000 (Audited)
Non-current	<b>18,216,497</b>	19,276,159
Current	<b>10,252,224</b>	9,920,123
	<b>28,468,721</b>	29,196,282

Movements in borrowings are analyzed as follows:

	<b>Unaudited Six months ended 30 June</b>	
	<b>2011 RMB'000</b>	2010 RMB'000
At beginning of the period	<b>29,196,282</b>	21,840,012
New bank loans raised	<b>3,017,732</b>	8,515,763
Other loans raised	<b>2,600,000</b>	4,080,000
Repayment of bank loans	<b>(6,347,158)</b>	(3,623,595)
Changes of carrying value of corporate bonds	<b>1,865</b>	1,782
At end of the period	<b>28,468,721</b>	30,813,962

As at 30 June 2011 and 31 December 2010, long-term bank borrowings amounting to RMB7,133,720,000 and RMB6,308,000,000 were secured by properties under development, completed properties held for sale, land use rights (Note 7), property, plant and equipment (Note 7) and investment properties (Note 8) of the Group.

As at 30 June 2011 and 31 December 2010, no short-term bank borrowings were secured.

Interest expense on borrowings and loans for the six months ended 30 June 2011 is RMB744,860,000 (six months ended 30 June 2010: RMB603,342,000).

As at 30 June 2011, other loans that are due to third parties amounting to RMB2,600,000,000 are raised from non-bank financial institutions. Such loans bear interests at the rate bore interests at the rate from 11.5% to 12.3% per annum, and are repayable within 22 May 2013.

As at 30 June 2010, other loans that are due to third parties amounting to RMB 4,080,000,000 are raised through the establishment of trusts. Entrusted loans provided to certain wholly owned subsidiaries were transferred into the trust as contributions by the Group. Such loans bear interests at the rate bore interests at the rate of 8.50% per annum, and are repayable after 25 months from its inception date of the loan.

## 15 Trade and other payables

	<b>As at 30 June 2011 RMB'000 (Unaudited) RMB'000</b>	As at 31 December 2010 RMB'000 (Audited) RMB'000
Trade payables (a)	<b>4,016,129</b>	3,612,571
Accrued expenses	<b>895,697</b>	597,312
Distribution payable (b)	<b>196,595</b>	204,017
Advances received from a shareholder (c)	<b>1,670,198</b>	1,724,493
Considerations received in respect of partial disposal of equity interests in a subsidiary (d)	—	1,300,000
Consideration payable (e)	<b>150,000</b>	455,800
Loans from non-controlling interests (f)	<b>672,044</b>	—
Other payables	<b>1,186,516</b>	2,426,846
Other tax	<b>302,557</b>	451,607
Provision for financial guarantee liabilities	<b>69,078</b>	58,989
	<b>9,158,814</b>	10,831,635

The carrying amounts of trade payables and other payables approximate their fair values.

- (a) Trade payables mainly comprise accrued construction costs and provision for guarantee liabilities. The ageing analysis of the trade payables based on invoice date was as follows:

	<b>As at 30 June 2011 RMB'000 (Unaudited)</b>	As at 31 December 2010 RMB'000 (Audited)
Less than 6 months	<b>2,202,203</b>	2,802,237
6 months to 12 months	<b>1,448,757</b>	530,425
1 year to 2 years	<b>294,049</b>	233,748
2 years to 3 years	<b>46,056</b>	30,860
Over 3 years	<b>25,064</b>	15,301
	<b>4,016,129</b>	3,612,571



## 15 Trade and other payables (Continued)

- (b) The Group had not elected to defer distribution payments for its convertible securities (Note 13) for the semi-annual period ended 27 July 2011, and such distribution had been fully settled as at the date of the approval of these financial statements.
- (c) On 21 November 2010, the Group entered into a co-operation agreement with Nan Fung, a major shareholder of the Company, in respect of the establishment of a series of joint ventures for the development of certain commercial property projects. The total investment amount in relation to the establishment of the joint ventures will be approximately USD 650,000,000.

The actual formation of these joint ventures is in progress as at the date of this report, and is expected to be completed by 2011.

- (d) On 31 December 2010, Sino-Ocean Land (Hong Kong) Limited ("SOLHK"), a wholly owned subsidiary of the Group, entered into a Co-operation Agreement (the "agreement") with Greentown China Holdings Limited ("Greentown") and Zhejiang Railway Investment Group Limited ("Railway"), both independent third parties.

Pursuant to the agreement, SOLHK agreed to dispose 24.5% equity interest of Poly Link Management Limited ("Poly Link"), a wholly owned subsidiary of the Group, to Greentown and Railway each. Total consideration received for the disposal amounted to RMB 1,623,704,000 (Note 23(b)(i)).

- (e) Consideration payable as at 30 June 2011 and 31 December 2010 represents amounts payable to the non-controlling interests of a subsidiary for an acquisition of land.
- (f) Loans from non-controlling interests are unsecured, bear interests at the rate from nil to 12% per annum, and are repayable on demand.

## 16 Other (losses)/gains - net

	<b>Unaudited</b>	
	<b>Six months ended 30 June</b>	
	<b>2011</b>	2010
	<b>RMB'000</b>	RMB'000
Impairment loss on assets and associated liabilities classified as held for sale (Note 24)	<b>(23,280)</b>	—
Gain on disposal of a subsidiary	—	187,168
Negative goodwill from acquisition of a subsidiary	—	2,512
Gain on trading of financial assets at fair value through profit or loss	<b>10,283</b>	—
Fair value loss of financial assets at fair value through profit or loss	<b>(369)</b>	—
Loss on trading of other investment	<b>(860)</b>	—
Fair value gain of other investment	<b>1,251</b>	—
Loss on disposal of property, plant and equipment	<b>(35)</b>	(516)
Exchange gain/(loss)	<b>27,347</b>	(6,064)
Other losses	<b>(14,965)</b>	—
	<b>(628)</b>	183,100

## Notes to the Unaudited Condensed Consolidated Interim Financial Information

### 17 Operating profit

The following items are highlighted because of their nature, size or incidence, have been charged/(credited) to the operating profit during the period:

	<b>Unaudited</b>	
	<b>Six months ended 30 June</b>	
	<b>2011</b>	2010
	<b>RMB'000</b>	RMB'000
Investment properties at fair value through profit or loss:		
- fair value gains(Note 8)	—	462,949
Transaction costs in relation to acquisition of subsidiaries	—	(6,699)
Loss on disposal of property, plant and equipment	<b>(35)</b>	(516)
Reversal/(Provision) for impairment of receivables	<b>1,496</b>	(1,029)
	<b>1,461</b>	454,705

The Group has no non-financial assets that have an indefinite life during the period.

Assets that are subject to amortization are reviewed for impairment whenever events or changes in circumstance indicate that the carrying amount may not be recoverable. No impairment is charged or reversed for the six months ended 30 June 2011 and 2010. Financial assets were reviewed for impairment as at 30 June 2011. There was no indication of impairment.

### 18 Income tax expense

Vast majority of the group entities are subjected to PRC enterprise income tax, which has been provided based on the statutory income tax rate of 25% of the assessable income of each of these group entities for the six months ended 30 June 2011 and 2010. Other companies are mainly subjected to Hong Kong income tax.

The amount of income tax expense charged to the condensed consolidated interim income statements represents:

	<b>Unaudited</b>	
	<b>Six months ended 30 June</b>	
	<b>2011</b>	2010
	<b>RMB'000</b>	RMB'000
Current income tax:		
- PRC enterprise income tax	<b>693,564</b>	256,944
- PRC land appreciation tax	<b>419,336</b>	114,139
Deferred tax	<b>(237,330)</b>	76,944
	<b>875,570</b>	448,027

## 19 Earnings per share

### (a) Basic

Basic earnings per share is calculated by dividing the profit attributable to equity holders of the Company by the weighted average number of shares in issue during the period.

	<b>Unaudited</b>	
	<b>Six months ended 30 June</b>	
	<b>2011</b>	2010
Profit from continuing operations attributable to equity holders of the Company (RMB'000)	<b>1,096,066</b>	1,157,477
Distribution relating to convertible securities (RMB'000) (Note 13)	<b>(229,674)</b>	—
Profit used to determine basic earnings per share (RMB'000)	<b>866,392</b>	1,157,477
Weighted average number of ordinary shares in issue (thousands)	<b>5,615,630</b>	5,636,792
Basic earnings per share for profit from continuing operations attributable to equity holders of the Company (RMB per share)	<b>0.154</b>	0.205
Loss from discontinued operations attributable to equity holders of the Company (RMB'000)	—	(5,378)
Weighted average number of ordinary shares in issue (thousands)	<b>5,615,630</b>	5,636,792
Basic earnings per share for loss from discontinued operations attributable to equity holders of the Company (RMB per share)	—	(0.001)

## 19 Earnings per share (Continued)

### (b) Diluted

Diluted earnings per share is calculated by adjusting the weighted average number of ordinary shares outstanding to assume conversion of all dilutive potential ordinary shares. The company has one category of dilutive potential ordinary shares: share options. For the share options, a calculation is done to determine the number of shares that could have been acquired at fair value (determined as the average annual market share price of the Company's shares) based on the monetary value of the subscription rights attached to outstanding share options. The number of shares calculated as above is compared with the number of shares that would have been issued assuming the exercise of the share options. Convertible securities of 374,278,000 shares when calculated on a weighted average basis were not included in the calculation of dilutive earnings per share because of their anti-diluted effect.

	<b>Unaudited Six months ended 30 June</b>	
	<b>2011</b>	2010
Profit from continuing operations attributable to equity holders of the Company (RMB'000)	<b>1,096,066</b>	1,157,477
Distribution relating to convertible securities (RMB'000) (Note 13)	<b>(229,674)</b>	—
Profit used to determine basic earnings per share (RMB'000)	<b>866,392</b>	1,157,477
Weighted average number of ordinary shares in issue (thousands)	<b>5,615,630</b>	5,636,792
Adjustment for:		
- share options (thousands)	<b>5,983</b>	8,724
Weighted average number of ordinary shares for diluted earnings per share (thousands)	<b>5,621,613</b>	5,645,516
Diluted earnings per share for profit from continuing attributable to equity holders of the Company (RMB per share)	<b>0.154</b>	0.205
Loss from discontinued operations attributable to equity holders of the Company (RMB'000)	—	(5,378)
Weighted average number of ordinary shares in issue (thousands)	<b>5,615,630</b>	5,636,792
Adjustment for:		
- share options (thousands)	<b>5,983</b>	8,724
Weighted average number of ordinary shares for diluted earnings per share (thousands)	<b>5,621,613</b>	5,645,516
Diluted earnings per share for loss from discontinued operations attributable to equity holders of the Company (RMB per share)	—	(0.001)



## 20 Dividends

On 18 August 2011, the Board has resolved to declare an interim dividend of RMB232,544,000 for the six months ended 30 June 2011 (six months ended 30 June 2010: RMB245,904,000).

	Unaudited Six months ended 30 June	
	2011 RMB'000	2010 RMB'000
Final dividends paid	376,076	247,046
Interim dividends proposed	232,544	245,904

## 21 Financial guarantees

The Group had the following financial guarantees as at the end of 30 June 2011 and 31 December 2010:

	As at 30 June 2011 RMB'000 (Unaudited)	As at 31 December 2010 RMB'000 (Audited)
Guarantees in respect of mortgage facilities for certain purchasers	3,649,672	2,925,285

As at 30 June 2011 and 31 December 2010, the Group provided guarantees in respect of mortgage facilities granted by certain banks relating to the mortgage loans arranged for certain purchasers of the Group's properties. 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 and penalty 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. The Group's guarantee period starts from the dates of grant of the relevant mortgage loans and ends when the property purchasers obtain the "property title certificate" which is then pledged with the banks.

## 22 Commitments

### (a) Capital commitments

Capital commitments in respect of development costs attributable to properties under development and land use rights at the balance sheet date but not yet incurred are as follows:

	<b>As at 30 June 2011 RMB'000 (Unaudited)</b>	As at 31 December 2010 RMB'000 (Audited)
Land use rights	<b>11,864,632</b>	9,167,037
Property under development	<b>10,470,889</b>	9,309,635
Contracted but not provided for	<b>22,335,521</b>	18,476,672

### (b) Operating lease rental receivables

The future aggregate minimum lease rental receivables under non-cancellable operating leases in respect of land and buildings are as follows:

	<b>As at 30 June 2011 RMB'000 (Unaudited)</b>	As at 31 December 2010 RMB'000 (Audited)
Within 1 year	<b>357,727</b>	312,301
Between 1 to 5 years	<b>616,874</b>	563,930
After 5 years	<b>52,879</b>	98,048
	<b>1,027,480</b>	974,279

## 23 Changes in ownership interests in subsidiaries without change of control

### (a) Acquisition of additional interest in a subsidiary

On 17 January 2011, for the acquisition of an additional 30% equity interest of Chongqing Golf Club Company Limited ("Chongqing Golf") for a purchase consideration of RMB200,000,000. The carrying amount of the non-controlling interests in Chongqing Golf on the date of acquisition was RMB30,378,000. The Group recognized a decrease in non-controlling interests of RMB20,252,000 and a decrease in equity attributable to equity holders of the Company of RMB179,748,000. The effect of such changes on the equity attributable to equity holders of the Company during the period is summarized as follows:

	As at 30 June 2011 RMB'000 (Unaudited)
Carrying amount of non-controlling interests acquired	20,252
Consideration paid to non-controlling interests	(200,000)
Excess of consideration paid recognized within equity	(179,748)

### (b) Disposal of interest in subsidiaries without loss of control

(i) On 8 April 2011, for the disposal of 49% of interest in a wholly owned subsidiary Poly Link Management Limited ("Poly Link"), at a consideration of RMB1,623,704,000. The Group recognized an increase in non-controlling interests of RMB1,219,202,000 and an increase in equity attributable to equity holders of the Company of RMB404,502,000. The effect of such changes on the equity attributable to equity holders of the Company during the period is summarized as follows:

	As at 30 June 2011 RMB'000 (Unaudited)
Carrying amount of non-controlling interests disposed of	(1,219,202)
Consideration received from non-controlling interests	1,623,704
Recognized within equity	404,502

## 23 Changes in ownership interests in subsidiaries without change of control (Continued)

### (b) Disposal of interest in subsidiaries without loss of control (Continued)

- (ii) On 7 May 2011, for the disposal of 49% of interest in a wholly owned subsidiary Chengdu Tongyi Real Estate Company Limited (“Chengdu Tongyi”), at a consideration of RMB100,170,000. The Group recognized an increase in non-controlling interests of RMB75,439,000 and an increase in equity attributable to equity holders of the Company of RMB24,731,000. The effect of such changes on the equity attributable to equity holders of the Company during the period is summarized as follows:

	As at 30 June 2011 RMB'000 (Unaudited)
Carrying amount of non-controlling interests disposed of	(75,439)
Consideration received from non-controlling interests	100,170
Recognized within equity	24,731

### (c) Effects of transactions with non-controlling interests on the equity attributable to the equity holders of the Company for the period ended 30 June 2011

	As at 30 June 2011 RMB'000 (Unaudited)
Total comprehensive income for the period attributable to equity holders of the Company	1,048,520
Changes in equity attributable to equity holders of the Company arising from:	
- Acquisition of additional interests in subsidiary	(179,748)
- Disposal of interests in subsidiaries without loss of control	429,233
Net effect for changes in ownership interests in subsidiaries without change of control on equity attributable to equity holders of the Company	249,485
	1,298,005

## 24 Assets classified as held for sale/Liabilities directly associated with assets classified as held for sale

In May 2011, the Group and Virtue Time Holdings Limited (“the Purchaser”), a connected person of the Group under the Listing Rules, entered into a sale and purchase agreement, pursuant to which Gemini Investments (Holdings) Limited, a subsidiary of the Group conditionally agreed to sell the shares of Klendo Limited, a non-wholly owned subsidiary of the Company and representing the entire equity interest of the Group in Klendo Limited to the Purchaser.

The consideration for the disposal of Klendo Limited is HK\$137,000,000 of which HK\$10,000,000 was received on the date of the sale and purchase agreement as deposit while the remaining balance of HK\$127,000,000 will be received at the completion of the disposal. Such transaction was approved by the shareholder in an extraordinary general meeting on 23 June 2011.

The assets and liabilities attributable to the subsidiary that are expected to be sold within twelve months have been classified as assets and liabilities held for sale and are separately presented in the condensed consolidated balance sheet. The operations are included in the Group’s investment property for segment reporting purposes.

	<b>As at 30 June 2011 RMB’000 (Unaudited)</b>
<b>Assets classified as held for sale:</b>	
Investment property	<b>150,000</b>
Deposits and prepayments	<b>1,057</b>
Other receivables	<b>8,763</b>
Cash and cash equivalents	<b>13</b>
<b>Total assets classified as held for sale</b>	<b>159,833</b>
<b>Liabilities directly associated with assets classified as held for sale:</b>	
Other payables and accrued charges	<b>4,575</b>
Deposit received	<b>8,316</b>
Provision for impairment on assets and associated liabilities classified as held for sale	<b>23,280</b>
Deferred tax liabilities	<b>3,088</b>
<b>Total liabilities directly associated with assets classified as held for sale</b>	<b>39,259</b>
<b>Total net assets classified as held for sale</b>	<b>120,574</b>



## 25 Related party transactions

The following is a summary of significant related party balances and transactions entered into in the ordinary course of business between the Group and its related parties during the six months ended 30 June 2011 and 2010:

### (a) Provision of services

	Unaudited Six months ended 30 June	
	2011 RMB'000	2010 RMB'000
Provision of services:		
- China Ocean Shipping (Group) Company Limited ("COSCO Group")	—	2,718
- A jointly controlled entity of COSCO Group	—	1,216
- A jointly controlled entity	62,295	156
- Associates	407	—
	<b>62,702</b>	4,090

### (b) Key management compensation

	Unaudited Six months ended 30 June	
	2011 RMB'000	2010 RMB'000
Salaries and other short-term employee benefits	11,565	8,686
Post-employment benefits	1,007	669
Other long term welfare	505	416
Share-based payment	11,478	14,578
	<b>24,555</b>	24,349

### (c) Interest income

	Unaudited Six months ended 30 June	
	2011 RMB'000	2010 RMB'000
Interest received:		
- An associate	9,180	8,411
	<b>9,180</b>	8,411

## 25 Related party transactions (Continued)

### (d) Amounts due from related parties

	<b>As at 30 June 2011 RMB'000 (Unaudited)</b>	As at 31 December 2010 RMB'000 (Audited)
- Jointly controlled entities	<b>828,680</b>	817,356
- An associate (Note 10)	<b>351,104</b>	337,239
	<b>1,179,784</b>	1,154,595

### (e) Amounts due to related parties

	<b>As at 30 June 2011 RMB'000 (Unaudited)</b>	As at 31 December 2010 RMB'000 (Audited)
- A shareholder (Note 15)	<b>1,670,198</b>	1,724,493
	<b>1,670,198</b>	1,724,493

## 26 Event after balance sheet date

On 8 July 2011, Beijing Wanyang Shiji Chuangye Investment Management Limited ("Beijing Wanyang"), an indirect wholly-owned subsidiary of the Company, China Life Investment Holdings Limited and China Life Insurance Asset Management Company (together, "China Life"), subsidiaries of a substantial shareholder of the Company, and Beijing Vantone Real Estate Co., Ltd. ("Beijing Vantone") successfully bid for a piece of land located within the Central Business District (CBD) of Chaoyang District, Beijing, PRC. Total consideration of the land amounted to approximately RMB2,656,280,000, with a total area of 7,840 square meters.

A joint venture company is planned to be established between Beijing Wanyang, China Life and Beijing Vantone, for the development of such land. The actual formation of the joint venture is in progress as at the date of this report, and is expected to be completed by 2011.

# Report on Review of Condensed Consolidated Interim Financial Information

## TO THE BOARD OF DIRECTORS OF SINO-OCEAN LAND HOLDINGS LIMITED

(incorporated in Hong Kong with limited liability)

### Introduction

We have reviewed the condensed consolidated interim financial information set out on pages 37 to 69, which comprises the condensed consolidated interim balance sheet of Sino-Ocean Land Holdings Limited (the “Company”) and its subsidiaries (together, the “Group”) as at 30 June 2011 and the related condensed consolidated interim income statement, interim statements of comprehensive income, changes in equity and cash flows for the six-month period then ended, and a summary of significant accounting policies and other explanatory notes. The Rules Governing the Listing of Securities on the Main Board of The Stock Exchange of Hong Kong Limited require the preparation of a report on condensed consolidated interim financial information to be in compliance with the relevant provisions thereof and Hong Kong Accounting Standard 34 “Interim Financial Reporting” issued by the Hong Kong Institute of Certified Public Accountants. The directors of the Company are responsible for the preparation and presentation of this condensed consolidated interim financial information in accordance with Hong Kong Accounting Standard 34 “Interim Financial Reporting”. Our responsibility is to express a conclusion on this condensed consolidated interim financial information based on our review and to report our conclusion solely to you, as a body, in accordance with our agreed terms of engagement and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report.

### Scope of Review

We conducted our review in accordance with Hong Kong Standard on Review Engagements 2410, “Review of Interim Financial Information Performed by the Independent Auditor of the Entity” issued by the Hong Kong Institute of Certified Public Accountants. A review of condensed consolidated interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Hong Kong Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

### Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the condensed consolidated interim financial information is not prepared, in all material respects, in accordance with Hong Kong Accounting Standard 34 “Interim Financial Reporting”.

### PricewaterhouseCoopers

*Certified Public Accountants*

Hong Kong, 18 August 2011

## Appendix: Sino-Ocean Land List of Project names

Cities	Project names (Chinese)	Project names (English)	Project names used in Annual Report 2010 (Chinese)	Project names used in Annual Report 2010 (English)	
Beijing	遠洋山水 (北京)	Ocean Landscape (Beijing)			
	遠洋•沁山水 (北京)	Ocean Landscape Eastern Area (Beijing)			
	遠洋•沁山水 E02/03 項目 (北京)	Ocean Landscape Eastern Area E02/03 Project (Beijing)			
	遠洋天地 (北京)	Ocean Paradise (Beijing)			
	遠洋•萬和城 (北京)	Ocean Great Harmony (Beijing)			
	遠洋•萬和城 C 區項目 (北京)	Ocean Great Harmony Plot C Project (Beijing)			
	遠洋國際中心 (北京)	Ocean International Center (Beijing)			
	遠洋都市網景 (北京)	Ocean Cityscape (Beijing)			
	遠洋風景 (北京)	Ocean Prospect (Beijing)			
	遠洋自然 (北京)	Ocean Seasons (Beijing)			
	遠洋•光華國際 (北京)	Ocean Office Park (Beijing)			
	遠洋新幹線 (北京)	Ocean Express (Beijing)			
	遠洋公館 (北京)	Ocean Honored Chateau (Beijing)			
	遠洋•LA VIE (北京)	Ocean LA VIE (Beijing)			
	遠洋一方 (北京)	POETRY OF RIVER (Beijing)			
	遠洋•新悅 (北京)	The Place (Beijing)			
	遠洋•傲北 (北京)	Ocean Manor (Beijing)			
	頤堤港 (北京)	INDIGO (Beijing)			
	遠洋•東方 (北京)	Ocean Oriental (Beijing)			
	遠洋•天著 (北京)	Ocean Palace (Beijing)			
	遠洋•萬和公館 (北京)	Ocean Crown (Beijing)			
	遠洋大廈 (北京)	Ocean Plaza (Beijing)			
	CBD Z6 地塊 (北京)	CBD Plot Z6 (Beijing)			
	Tianjin	遠洋城 (天津)	Ocean City (Tianjin)		
		遠洋天地 (天津)	Ocean Paradise (Tianjin)	海河新天地	Ocean Paradise (Tianjin)
		遠洋國際中心 (天津)	Ocean International Center (Tianjin)		
遠洋新幹線 (天津)		Ocean Express (Tianjin)			
遠洋•萬和城 (天津)		Ocean Great Harmony (Tianjin)			
遠洋風景 (天津)		Ocean Prospect (Tianjin)			
Zhongshan	遠洋城 (中山)	Ocean City (Zhongshan)			
	橫欄項目 (中山)	Henglan Project (Zhongshan)			
Dalian	遠洋風景 (大連)	Ocean Prospect (Dalian)			
	遠洋自然 (大連)	Ocean Seasons (Dalian)			
	紅星海世界觀 (大連)	Ocean Worldview (Dalian)			
	香頌花城 (大連)	Chanson Garden (Dalian)			
	遠洋 MIDTOWN (大連)	Ocean MIDTOWN (Dalian)			
	遠洋時代城 (大連)	Ocean TIMES (Dalian)			
	遠洋假日養生莊園 (大連)	Ocean Holiday Manor (Dalian)	遠洋•拉斐莊園	Ocean Valley Lafite (Dalian)	
	遠洋創智高地 (大連)	Sino-Ocean Technopole (Dalian)	IT 產業園—工業部分	IT Zone—Industrial (Dalian)	
	遠洋廣場 (大連)	Ocean Plaza (Dalian)			
	遠洋溫德姆至尊豪庭大酒店 (大連)	Wyndham Grand Plaza Royale Sino-Ocean (Dalian)			
	遠洋•鑽石灣 (大連)	Ocean Diamond Bay (Dalian)			
	小窑灣項目 (大連)	Xiaoyao Bay Project (Dalian)			

## Appendix: Sino-Ocean Land List of Project names

Cities	Project names (Chinese)	Project names (English)	Project names used in Annual Report 2010 (Chinese)	Project names used in Annual Report 2010 (English)
Shenyang	遠洋天地 (瀋陽) 遠洋公館 (瀋陽)	Ocean Paradise (Shenyang) Ocean Residence (Shenyang)		
Hangzhou	遠洋•大河宸章 (杭州) 遠洋公館 (杭州) 杭州大運河商務區項目 (杭州) 普福項目 (杭州)	Grand Canal Milestone (Hangzhou) Ocean Mansion (Hangzhou) Canal Business Center Project (Hangzhou) Pufu Project (Hangzhou)	大河宸章 遠洋公館	Hang Yimian (Hangzhou) Canal Commercial District (Hangzhou)
Huangshan	遠洋桃花島 (黃山)	An Island Paradise (Huangshan)		
Chongqing	遠洋高爾夫國際社區 (重慶)	Sino-Ocean International GOLF Resort (Chongqing)	國際高爾夫項目	Golf Club Project (Chongqing)
Sanya	遠洋公館 (三亞) 棠棣項目一期 (三亞)	Ocean Mansion (Sanya) Tang Di Project (Sanya)	遠洋奧林匹克公館	Ocean Olympics (Sanya)
Haikou	遠洋浮木陣 (海口)	Ocean Driftwood Array (Haikou)	盈濱半島	Yexiang Village Project (Haikou)
Qingdao	遠洋公館 (青島) 遠洋風景 (青島) 遠洋自然 (青島)	Ocean Honored Chateau (Qingdao) Ocean Prospect (Qingdao) Ocean Seasons (Qingdao)		
Shanghai	遠洋•博堡 (上海) 遠洋7號 (上海) 楊行鎮項目 (上海)	BOND CASTLE (Shanghai) Ocean Mansion No.7 (Shanghai) Yanghangzhen Project (Shanghai)		
Wuhan	遠洋莊園 (武漢) 遠洋•世界 (武漢)	Ocean Manor (Wuhan) Ocean World (Wuhan)	有座莊園	Tangchen Project (Wuhan)
Qinghuangdao	遠洋•海世紀 (秦皇島) 灣海1號 (秦皇島)	Ocean Century (Qinhuangdao) Wan Hai Yi Hao (Qinhuangdao)	灣海一號	Wan Hai Yi Hao (Qinhuangdao)
Changchun	遠洋•戛納小鎮 (長春)	Ocean Cannes Town (Changchun)	長春淨月項目	Jingyue Project (Changchun)
Chengdu	遠洋•朗郡 (成都) 大慈寺項目 (成都)	Ocean Langjun (Chengdu) Dacisi Project (Chengdu)		
Zhenjiang	遠洋•塞納河畔 (鎮江)	Ocean Bank of Seine (Zhenjiang)		
Fushun	將軍溝項目 (撫順)	Jiangjngou Project (Fushun)		



