

【For Immediate Release】



**C C LAND ANNOUNCES 2006 ANNUAL RESULTS
TURNOVER AND NET PROFIT SUBSTANTIALLY UP BY 78.6% & 14.24 TIMES**

**Successfully transformed into a leading property developer
in Western China
Unlocked underlying value for future growth**

Financial Highlights

<i>HK\$' 000</i>	Year ended 31 December		
	2006	2005	Change
Turnover	794,984	445,248	+78.6%
Gross profit	127,316	72,138	+76.5%
Other income and gain	647,122	18,636	+33.72 times
Profit attributable to equity holders	627,871	41,203	+14.24 times
Basic earnings per share	112.4 HK cents	10.5 HK cents	+9.7 times

(1 April 2007 – Hong Kong) C C Land Holdings Limited (“C C Land” or the “Company”, together with its subsidiaries collectively known as the “Group”; stock code: 1224) is pleased to announce its 2006 annual results. Subsequent to the acquisition of Chongqing Zhongyu Property Development Co., Ltd. (“Chongqing Zhongyu”) in November 2006, the property development in China has become the Group’s major core business. The financial performance in 2006 represents the combined results of the newly acquired China property business and its on-going manufacturing business. During the year under review, the Group’s revenue increased by 78.6% to HK\$795 million. Profit attributable to equity holders grew 14.24 times to HK\$627.9 million. The substantial gain was mainly attributable to the HK\$558 million of excess fair value over the cost of acquisition of Chongqing Zhongyu. Earnings per share were 112.4 HK cents (2005: 10.5 HK cents).

The Group recommended a final dividend of 5 HK cents per share for the year 2006 (2005: 6 HK cents per share).

Commenting on the Company's remarkable results, Mr. Peter Lam, Deputy Chairman and Managing Director of C C Land said, "2006 marks a significant milestone of our Group. We successfully tapped into China's property market through acquiring Chongqing Zhongyu in November 2006. Our goal is to capture the booming property development market in China and to transform the Company into a leading property developer in Western China. As such, we have changed our Company's name to "C C Land Holdings Limited" to better reflect our new core business. With Chongqing Zhongyu's proven track record, strong local knowledge and seasoned management team, we believe that the China property business is going to offer promising returns to our shareholders."

The Group's manufacturing business comprised packaging business and luggage business. During the reviewed year, turnover of the packaging business rose 14% to HK\$316.3 million as a result of increased orders from existing clients. Profit contribution amounted to HK\$14.4 million. On the other hand, benefiting from a rejuvenation in consumer spending on luggage products and the enhanced production lines, profit contribution from luggage business amounted to HK\$4.2 million, representing an increase of 55.6% compared to the previous year.

On property development and investment front, as at 15 March 2007 all our projects under development are located in Chongqing and Chengdu. Centralized at the newly developed town centre of Yubei District of Chongqing, the projects represent a total site area of approximately 877,500 sq. m. and a total gross floor area ("GFA") of approximately 3,312,000 sq. m. for development. Most of the projects in Chongqing are located at the prime areas, where a number of government departments are in the neighborhood with convenient transportation as airport and railway station are nearby. The projects are planned for middle to upmarket residential, high-end commercial, office and hotel development. On the other hand, the Group has expanded its presence to Chengdu by acquiring 50% interest in property project in Wen Jiang, Chengdu, at a consideration of HK\$96 million (HK\$346 per sq. m. GFA) in January 2007. Wen Jiang is located in the western side of Chengdu, about 16 km from the city centre. The land held under the project company has a total site area of approximately 369,960 sq. m. with a plot ratio of 1.5 times. It is an upmarket residential project with a total GFA of approximately 555,000 sq. m. Therefore, the Group has a total land bank of 3.87 million sq. m. GFA.

In addition to property development, the Group has retained a portfolio of quality properties with excellent potential for capital appreciation as long term investments. At present, the portfolio comprised properties of diversified usage including commercial and car-parking, and corresponding attributable GFA was 62,420 sq. m. Turnover from investment properties business in two month's time was HK\$0.3 million. The investment property business provides stable cash flow for the Company in the short term; and will be beneficial to the Company as their capital appreciated in the long term.

In order to diversify source of income and to have a better advantage to acquire new land bank, the Group also engaged in the land development business. In February 2007, the Group acquired a 60% interest in a project company in Chengdu at a consideration of HK\$171 million. The project company has land development rights for two projects in Dujiangyan, Chengdu with a total site area of approximately 902,000 sq. m.

Looking ahead, Mr. Lam said, "The economy and urbanization rate in China are expected to continue to grow rapidly, we are particularly confident in the housing development of Western China. Chongqing is the fourth directly-administered municipality in the country after Beijing, Shanghai and Tianjin. Currently Chongqing has a population of approximately 31 million. According to the 11th Five-year Plan, Chongqing's urbanization rate will reach 52% by 2010. It is expected that around 10 million people will move to cities and towns from villages in coming ten years. Chongqing's housing market prospects are encouraging as the local economy continues to develop. China's President Hu Jintao said in the National People's Congress and National Committee of the Chinese People's Political Consultative Conference annual session in March 2007 that the Government will strive to promote Chongqing as the most important and fastest growing city in Western China, with an aim to lead the drive for growth and development in Western China. Chongqing has also been assigned a role of being the economic hub for the upstream regions of the Yangtze River, as well as the first city to achieve the status of a full scale middle class community in the Western China."

"Besides, Chengdu, the capital city of the Sichun Province, is a key commercial city of south-western China. With an area of 12,390 sq. km. and a population of around 10.82 million, Chengdu recorded 13.8%¹ annual GDP growth in 2006 with an urbanization rate of 43%². All this implies a huge potential for housing market development in both cities. Given that both Chongqing and Chengdu are the key cities in Western China with strong growth potential, we believe that the property market of both cities will maintain a fast growth rate in the coming years."

“In coming year, the property market in China will remain positive. Property development in Western China will definitely be the core business of the Group. The Group will complete the existing projects on schedule and look for opportunities to acquire premier land bank sites in cities like Chongqing and Chengdu where we see ample room for future growth. We are striding forward to be a leading property developer in Western China. We are confident that the property business will generate lucrative returns for shareholders in the years to come.” Mr. Lam concluded.

1 Source: Chengdu Statistic Bureau Report dated 19 March 2007

2 Source: Chengdu Government website (www.chengdu.gov.cn)

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About C C Land

C C Land is principally engaged in property development business in Western China. It owns over 3.95 million sq. m. of quality landbank in Chongqing and Chengdu. In light of the booming property industry in China, C C Land is well-poised to be one of the leading property developers in western China by leveraging its management expertise, quality land resources and solid financial position.

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