



(Stock Code: 355)

2007 INTERIM ANNOUNCEMENT

Well-poised for Strategic Diversification

FINANCIAL HIGHLIGHTS

	Six months ended 30th June, 2007 (Unaudited)	Six months ended 30th June, 2006 (Unaudited)	% Change
	HK\$'M	HK\$'M	
Revenue	242.3	86.4	+180.4%
Operating profit	75.5	67.6	+11.7%
Profit for the period	628.7	104.6	+501.1
Basic earnings per ordinary share	HK3.45	HK\$0.64 cent	+439.1
Interim dividend	HK0.05 cent	HK0.03 cent	+66.7%

Press Release

27th August, 2007

For Immediate Release

Century City Announces 2007 Interim Results

Well-poised for Strategic Diversification

Century City International Holdings Limited (stock code: 355) announced today the interim results for the period ended 30th June, 2007.

FINANCIAL AND BUSINESS REVIEW

For the six months ended 30th June, 2007, the Group recorded an unaudited consolidated profit attributable to shareholders of HK\$628.7 million, representing an increase of about 5 times over the comparative amount of HK\$104.6 million attained in the corresponding period in 2006. The profit increase was largely attributable to the share of profit from Regal Hotels International Holdings Limited, the listed associate of Paliburg Holdings Limited, due to the gain derived by Regal from the spin-off of Regal Real Estate Investment Trust in March 2007.

As at 30th June, 2007, the Group owned approximately 53.0% interest in Paliburg and Paliburg held approximately 45% of the shares in Regal. Regal REIT in turn was equity-accounted for by the Regal group as a 70.5% owned associate. Due to the elimination of the unrealised gain attributable to the interest retained by the Regal group in Regal REIT, the interest in Regal REIT was stated in the financial statements of the Regal group only at a net sum of HK\$292.5 million. The interest in Regal REIT represented by far the most significant investment held by the Regal group and if it were to be valued plainly based on its attributable share of the underlying net assets of Regal REIT as at 30th June, 2007, the interest held in Regal REIT would have been

stated at HK\$7,333.9 million instead. This has in turn also affected the book net assets of the Group as at 30th June, 2007. In order to more fairly reflect the underlying net asset value of the Group and for the purposes of reference and ease of comparison, supplementary information on the Group's net assets position, compiled on a proforma basis to reflect the share of the underlying net assets as attributable to the 70.5% interest held by Regal in Regal REIT as mentioned above, is provided in the interim results announcement.

During the period under review, the optional convertible bonds in an aggregate principal amount of HK\$160 million have been fully subscribed and converted into new ordinary shares of the Company. Furthermore, in June 2007, the Company completed the placing and top-up subscription of 1,600 million new ordinary shares of the Company at a placing price of HK\$0.325 per share. These equity issues have raised for the Group aggregate gross proceeds of HK\$680 million, part of which is intended to be utilised to fund the proposed investments in the natural resources projects.

Since the early part of this year, management has spent strenuous efforts in identifying and exploring investment opportunities in the energy and natural resources sectors in different parts of the world.

In April 2007, the Group entered into an acquisition agreement with certain independent third party vendors, pursuant to which the Group conditionally agreed to purchase a total of 51.8% interest in Chain Bright LLC, a Mongolian company, at a total consideration of HK\$100 million.

Chain Bright was the registered holder of an exploration license empowering Chain Bright to conduct exploration for minerals in an Exploration Area of 12,580 hectares located in the eastern part of Mongolia. The conditions precedent to the completion of the acquisition agreement include, among others, the Group being satisfied with the due diligence review on the business and financial aspects of Chain Bright and the exploitable reserves of uranium and coal and other mineral resources in the Exploration Area. Subsequent to the acquisition agreement, mining licenses for Chain Bright to conduct the mining of coal covering an area of 2,290 hectares and the

mining of uranium covering an area of 1,410 hectares within the Exploration Area have respectively been issued by the relevant Mongolian government authority to Chain Bright. Due to the longer time required for the conduct of the requisite due diligence review, the Group and the vendors have recently agreed to extend the long-stop date for the satisfaction of the conditions under the acquisition agreement for 3 months to 17th November, 2007.

In conjunction with the prospective coal mining business under exploration in Mongolia, the Group also entered into a letter of intent with Tianjin Huihai New Energy Company Limited in June 2007 for the supply of coal to the PRC, subject to the negotiation and agreement of a legal definitive agreement.

Lately in August 2007, the Company entered into a letter of intent with China Nuclear Energy Industry Corporation in relation to proposals regarding, among others, the establishment of long-term co-operative alliance between the two parties for the exploration and development of uranium resources in Mongolia and other countries and the possible joint investment with China Nuclear in economically viable uranium mines and the underwriting by China Nuclear of the sale of the uranium products.

China Nuclear is a wholly-owned subsidiary of China National Nuclear Corporation and is the only company authorised by the PRC government to carry on import and export of nuclear fuel and to supply nuclear fuel to nuclear power plants in the PRC. China Nuclear and its parent group have extensive experience and expertise in the uranium and nuclear fuel industries and as part of this co-operative alliance, China Nuclear will be given first right to be appointed on competitive terms to provide multi-faceted technical support on all aspects of due diligence, prospecting, exploration and mining works on the uranium mines in which the Company proposes to invest, including the proposed mining project in Mongolia.

In view of the contemplated long-term relationship and strategic partnership between the Company and China Nuclear in developing the uranium businesses, and in order to strengthen the co-operative prospects between the two parties, China Nuclear will be granted an option to subscribe for 1 billion new shares of Company at an exercise price of HK\$0.201 per share. The grant of such option will be subject to compliance

with applicable laws and regulations and will be granted when the formal agreement has been finalised and signed, exercisable within 2 years from the date of grant.

It was agreed that, within 3 months from the date of the letter of intent entered into between the Company and China Nuclear, the parties will finalise and sign a formal agreement in respect of the matters contemplated in the letter of intent and to comply with the necessary procedures and to obtain requisite approvals and consents.

For 2007 interim results and further information on Paliburg, Regal and Regal REIT, please refer to their respective press releases and full set of interim results announcements released today, which are also available for viewing at their respective websites at www.paliburg.com.hk, www.regalhotel.com and www.regalreit.com.

OUTLOOK

The Group is working diligently on the uranium and coal mining project in Mongolia. As the Group has strong expertise in investment and planning, through the formation of a long-term strategic alliance with China Nuclear, the Group will be supplemented with full range technical support from the China Nuclear group in the exploration and development of the uranium business. The Group is hopeful that through this alliance, new co-operative projects that span across different countries could be gradually developed.

“The Group is well-poised for strategic diversification and believes that its plans to invest into the energy and natural resources sectors can provide to the Group with rapid growth prospects and, if successfully implemented, should potentially generate immense profits to the Group and its shareholders.” concluded Mr Y. S. Lo, Chairman and Chief Executive Officer of the Group, at the Interim Results press conference.

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For further information, please refer to the full set of Century City's interim results announcement released today.

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