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SUNAC CHINA HOLDINGS LIMITED

融創中國控股有限公司

*(incorporated in the Cayman Islands
with limited liability)*

(Stock Code: 01918)



GREENTOWN CHINA HOLDINGS LIMITED

綠城中國控股有限公司*

*(incorporated in the Cayman Islands
with limited liability)*

(Stock Code: 03900)

JOINT ANNOUNCEMENT

DISCLOSEABLE TRANSACTION

ACQUISITION OF 51%

EQUITY INTEREST IN WUXI

GREENTOWN HUBIN REAL

ESTATE CO., LTD.

VOLUNTARY ANNOUNCEMENT

DISPOSAL OF 51%

EQUITY INTEREST IN WUXI

GREENTOWN HUBIN REAL

ESTATE CO., LTD.

EQUITY TRANSFER

The Board of Sunac China and the Board of Greentown China jointly announce that, on 5 January 2012, Sunac Zhidi (a wholly-owned subsidiary of Sunac China) entered into the Equity Transfer Agreement with Greentown Real Estate (a wholly-owned subsidiary of Greentown China), pursuant to which Sunac Zhidi had agreed to acquire, and Greentown Real Estate had agreed to dispose of 51% equity interest in Hubin Real Estate, at a cash consideration of RMB51 million.

As at the date of this joint announcement, Hubin Real Estate is a wholly-owned subsidiary of Greentown China. Following the completion of the Equity Transfer, Hubin Real Estate will be held as to 51% by Sunac Zhidi and 49% by Greentown Real Estate respectively, and Hubin Real Estate will cease to be a subsidiary of Greentown China and will become a subsidiary of Sunac China.

LISTING RULES IMPLICATIONS

As one of the applicable percentage ratios for Sunac China calculated under Rule 14.07 of the Listing Rules exceeds 5% but is less than 25%, the Equity Transfer will constitute a discloseable transaction of Sunac China and is subject to the reporting and announcement requirements but exempt from shareholders' approval requirement under Chapter 14 of the Listing Rules.

As all applicable percentage ratios for Greentown China calculated under Rule 14.07 of the Listing Rules are less than 5%, the Equity Transfer will not constitute a notifiable transaction of Greentown China under Chapter 14 of the Listing Rules. This joint announcement is made by Greentown China on a voluntary basis.

EQUITY TRANSFER

On 5 January 2012, Sunac Zhidi entered into the Equity Transfer Agreement with Greentown Real Estate, pursuant to which Greentown Real Estate had agreed to dispose of, and Sunac Zhidi had agreed to acquire 51% equity interest in Hubin Real Estate at a cash consideration of RMB51 million.

As at the date of this joint announcement, Hubin Real Estate is a wholly-owned subsidiary of Greentown China. Following the completion of the Equity Transfer, Hubin Real Estate will be held as to 51% by Sunac Zhidi and 49% by Greentown Real Estate respectively, and Hubin Real Estate will cease to be a subsidiary of Greentown China and will become a subsidiary of Sunac China.

PROPOSED TERMS OF THE EQUITY TRANSFER AGREEMENT

The principal terms of the Equity Transfer Agreement are summarised as follows:

Date:

5 January 2012

Parties:

Vendor: Greentown Real Estate

Purchaser: Sunac Zhidi

As of the date of this joint announcement, the directors of Sunac China confirm that, to the best of their knowledge, information and belief, having made all reasonable enquiries, Greentown Real Estate and its ultimate beneficial owners are third parties independent of Sunac China and its connected persons (as defined in the Listing Rules).

As of the date of this joint announcement, the directors of Greentown China confirm that, to the best of their knowledge, information and belief, having made all reasonable enquiries, Sunac Zhidi and its ultimate beneficial owners are third parties independent of Greentown China and its connected persons (as defined in the Listing Rules).

Assets subject to the Equity Transfer:

Sunac Zhidi will acquire 51% equity interest in Hubin Real Estate from Greentown Real Estate.

Consideration:

The total consideration for the Equity Transfer is RMB51 million, which has been determined by Sunac Zhidi and Greentown Real Estate after arms length negotiation, with reference to, among other things: (i) the registered capital of Hubin Real Estate contributed by Greentown Real Estate; (ii) the net assets of Hubin Real Estate; and (iii) the prevailing market conditions of the property development sector in the PRC.

The consideration of RMB51 million will be funded by Sunac China's internal resources.

Payment terms:

Sunac Zhidi will pay the total consideration to Greentown Real Estate into a bank account designated by Greentown Real Estate on or before 15 January 2012.

Completion:

Completion of the Equity Transfer shall take place after the total consideration has been paid and on the date of which Hubin Real Estate files the Equity Transfer documents to the relevant regulatory authority of Wuxi, which shall be on or before 15 January 2012, or such other date to be agreed between both parties.

Composition of the board of directors of Hubin Real Estate:

The board of directors of Hubin Real Estate will comprise five directors. Upon completion of the Equity Transfer, Sunac Zhidi will be entitled to nominate three directors and Greentown China will be entitled to nominate two directors. The chairman of Hubin Real Estate will be nominated by Greentown China.

INFORMATION ON HUBIN REAL ESTATE

Hubin Real Estate is a limited liability company established in the PRC on 15 December 2009. As at the date of this joint announcement, Hubin Real Estate is a wholly-owned subsidiary of Greentown Real Estate. Hubin Real Estate is mainly engaged in the development the Wuxi Project Land. The Wuxi Project Land is located at the south of Taihu Avenue, the east of Hongqiao Road and the west of Yinxiu Road in Binhu district, Wuxi city, with a total site area of 222,616.8 sq.m. and a gross floor area of approximately 525,000 sq.m.. Nos. 2-5 and 2-6 of the Wuxi Project Land is classified for commercial office and residential use, and Nos. 2-7 and 2-8 of the Wuxi Project Land is classified for commercial and residential use. The greening ratio of the Wuxi Project Land shall not be less than 40% of total site area. The terms of the Wuxi Project Land for commercial, residential and other uses are 40, 70 and 50 years, respectively. The construction work on the Wuxi Project Land has commenced and is expected to be completed by 30 June 2015.

According to the financial information of Hubin Real Estate based on the management account prepared by Hubin Real Estate in accordance with new Chinese accounting standards, the loss for each of the two financial years ended 31 December 2009 and 2010 and the net assets as at 30 June 2011 of Hubin Real Estate are as follows:

| | Financial year ended | |
|---------------------|-----------------------------|---------------------|
| | 31 December | |
| | 2009 | 2010 |
| | (unaudited) | (audited) |
| | RMB'000 | RMB'000 |
| Loss for the period | 35 | 12,582 |
| | | As at |
| | | 30 June 2011 |
| | | (unaudited) |
| | | RMB'000 |
| Net assets | | 75,939 |

REASONS FOR AND BENEFITS OF THE ENTERING INTO THE EQUITY TRANSFER AGREEMENT

Both Sunac China and Greentown China are well-established high-end property developers in the PRC.

The Board of Sunac China considers that the Equity Transfer will provide a good opportunity for Sunac Group to enhance its share in the Wuxi property market and to increase its total number of land investments in Wuxi. The Board of Sunac China also believes that through the Equity Transfer, Sunac China and Greentown China will form a strategic partnership, and by leveraging on their respective brand names and network advantages, this will help the development of the Wuxi Project Land and will provide benefits for Sunac China for its long-term development in the Wuxi.

Greentown China is actively looking for a strategic partner in Wuxi with solid financial position for joint development of the Wuxi Project Land. The Board of Greentown China believes that the partnership between Greentown China and Sunac China will contribute to the successful development of the Wuxi Project Land and Greentown China's additional projects in Wuxi in the future. The Board of Greentown China further believes that Sunac China and Greentown China will forge a strategic partnership in respect of the Wuxi Project Land through the Equity Transfer, which will contribute to the successful development of the Wuxi Project Land by leveraging on their respective brand names and network advantage.

The directors of Sunac China consider that the Equity Transfer Agreement is entered into on normal commercial terms, and the terms of the Equity Transfer are fair and reasonable and in the interests of Sunac China and its shareholders as a whole.

The directors of Greentown China consider that the Equity Transfer Agreement is entered into on normal commercial terms, and the terms of the Equity Transfer are fair and reasonable and in the interests of Greentown China and its shareholders as a whole. Greentown Real Estate intends to use the proceeds of RMB51 million as its general working capital.

INFORMATION ON THE PARTIES

Sunac Zhidi

Sunac China is a company incorporated under the laws of the Cayman Islands with limited liability, whose shares are listed on the Main Board of the Stock Exchange. It is a leading real estate developer in the PRC, focusing on the Bohai Rim, South Jiangsu and Chengdu-Chongqing regions and is engaged in the integrated development of residential and commercial properties and provision of high-quality products and services to medium to high-income target customers. Sunac Zhidi is an indirect wholly-owned subsidiary of Sunac China, and is mainly engaged in real estate development, sale of commercial properties and property management, etc..

Greentown Real Estate

Greentown China is a company incorporated under the laws of the Cayman Islands with limited liability, whose shares are listed on the Main Board of the Stock Exchange. It is one of the leading property developers in the PRC and is primarily engaged in developing quality residential properties targeting middle and high income residents in the PRC. Greentown Real Estate is an indirect wholly-owned subsidiary of Greentown China, and is mainly engaged in property development.

LISTING RULES IMPLICATIONS

As one of the applicable percentage ratios for Sunac China calculated under Rule 14.07 of the Listing Rules exceeds 5% but is less than 25%, the Equity Transfer will constitute a discloseable transaction of Sunac China and is subject to the reporting and announcement requirement but exempted from shareholders' approval requirement under Chapter 14 of the Listing Rules.

As all applicable percentage ratios for Greentown China calculated under Rule 14.07 of the Listing Rules are less than 5%, the Equity Transfer will not constitute a notifiable transaction of Greentown China under Chapter 14 of the Listing Rules. This joint announcement is made by Greentown China on a voluntary basis.

DEFINITIONS

In this joint announcement, the following expressions have the meanings set out below unless the context requires otherwise:

| | |
|-----------------------------|---|
| “Board of Greentown China” | the board of directors of Greentown China |
| “Board of Sunac China” | the board of directors of Sunac China |
| “connected person” | shall have the meaning ascribed to it under the Listing Rules |
| “Equity Transfer” | the transfer of 51% equity interest in Hubin Real Estate pursuant to the Equity Transfer Agreement |
| “Equity Transfer Agreement” | the equity transfer agreement dated 5 January 2012 entered into between Sunac Zhidi (as the Purchaser) and Greentown Real Estate (as the Vendor) in relation to the Equity Transfer |

| | |
|-------------------------|---|
| “Greentown China” | Greentown China Holdings Limited (綠城中國控股有限公司*), a company incorporated under the laws of the Cayman Islands with limited liability and whose shares are listed on the Stock Exchange |
| “Greentown Real Estate” | 綠城房地產集團有限公司 (Greentown Real Estate Group Co., Ltd.*), a company established in the PRC and a wholly-owned subsidiary of Greentown China |
| “Hubin Real Estate” | 無錫綠城湖濱置業有限公司 (Wuxi Greentown Hubin Real Estate Co., Ltd.*), a company established in the PRC and a wholly-owned subsidiary of Greentown Real Estate as at the date of this joint announcement |
| “Listing Rules” | the Rules Governing the Listing of Securities on the Stock Exchange |
| “PRC” | the People’s Republic of China |
| “RMB” | Renminbi, the lawful currency of the PRC |
| “sq. m.” | square metre(s) |
| “Stock Exchange” | The Stock Exchange of Hong Kong Limited |
| “Sunac China” | Sunac China Holdings Limited, a company incorporated under the laws of the Cayman Islands with limited liability and whose shares are listed on the Stock Exchange |
| “Sunac Zhidi” | 天津融創置地有限公司 (Tianjin Sunac Zhidi Co., Ltd.*), a company established in the PRC and an indirect wholly-owned subsidiary of Sunac China |
| “Wuxi Project Land” | a parcel of land (Lot No.: XDG-2009-41) in Lihu, Wuxi |

* *for identification purpose only*

By order of the Board
Sunac China Holdings Limited
Sun Hongbin
Chairman

Hong Kong, 5 January 2012

By order of the Board
Greentown China Holdings Limited
Song Weiping
Chairman

Hangzhou, the PRC, 5 January 2012

As at the date of this joint announcement, the executive directors of Sunac China are Mr Sun Hongbin, Mr Wang Mengde, Mr Li Shaozhong, Mr Chi Xun and Mr Shang Yu; the non-executive directors are Ms Hu Xiaoling and Mr Zhu Jia, and the independent non-executive directors are Mr Poon Chiu Kwok, Mr Li Qin and Mr Ma Lishan.

As at the date of this joint announcement, the executive directors of Greentown China are Mr Song Weiping, Mr Shou Bainian, Mr Luo Zhaoming, Mr Guo Jiafeng and Mr Cao Zhounan, and the independent non-executive directors are Mr Jia Shenghua, Mr Jiang Wei, Mr Ke Huanzhang, Mr Sze Tsai Ping, Michael and Mr Tang Shiding.