



[Immediate Release]

## **Greentown Announces 2010 Annual Results**

**Profit soared 51% to RMB1.5 Billion**

**Recommends a Final Dividend of RMB.0.36 per Share**

**\*\*\*Leveraging Premium Brand Value to Expand Construction Management Business\*\*\***

### **Results Highlights**

- In 2010, the Group together with its associates and jointly controlled entities (the “Greentown Group”) achieved combined revenue of RMB11.16 billion, representing an increase of 28% from last year.
- Gross profit amounted to RMB3.4 billion, representing a growth of 47% from last year.
- Profit attributable to the owners of the Company amounted to RMB1.53 billion, which soared 51% from last year.
- Basic earnings per share was RMB0.93, representing an increase of 45% compared to last year.
- The Board has recommended payment of a final dividend of RMB0.36 per share for the year ended 31 December 2010. Together with the interim dividend of RMB0.10 per share paid for 2010, the total dividend for 2010 amounts to RMB0.46 per share, representing a dividend payout ratio of 50%.
- Land bank exceeded 37 million sq.m. of total gross floor area, of which approximately 24.22 million sq.m. is attributable to the Group.

(29 March 2011, Hong Kong) Greentown China Holdings Limited (“Greentown” or the “Group”, (stock code: 03900.HK)), one of the leading property developers in China, announced its annual results for the year ended 31 December 2010 (“the Year”).

In 2010, the Group’s audited consolidated revenue totalled RMB11.16 billion, representing an increase of 28% over last year. Gross profit soared 47% to RMB3.4 billion. The earnings attributable to the owners of the Company rose by 51% to RMB1.53 billion in 2010. Basic earnings per share was RMB0.93, representing an increase of 45% compared to last year. The Board has proposed to pay a final dividend of RMB0.36 for the year ended 31 December 2010 (2009: HK26 cents). Together with an interim dividend of RMB0.10 per share paid during 2010 (2009: HK9.6 cents), the aggregate amount distributed in dividends during 2010 would be RMB0.46 per share, which represents a dividend payout ratio of 50%.

## **Business Review**

### Property Sales

In 2010, the Greentown Group offered properties at 85 projects for sale and it recorded a total sales revenue of approximately RMB54.2 billion, representing an increase of 6% from 2009. Of this amount, RMB34.2 billion was attributable to the Group, and the overall sales ratio of the projects was 71%. The premium quality of the Group's products continued to support their selling prices, which rose by 32% from an average of RMB14,684 per sq.m. in 2009 to RMB19,403 in 2010. The average selling price of its apartments was RMB17,885 per sq.m., while that of its villas was RMB23,903 per sq.m.

During the year, the Greentown Group's sales in Hangzhou amounted to RMB18.6 billion, accounting for 34% of the Greentown Group's entire sales during the Year. Many Greentown projects in other parts of the country were also trendsetters in their respective areas. Sales in excess of RMB1 billion were recorded at a number of projects, including the Jinan National Games Project, Cixi Rose Garden, Cixi Grace Garden, Beijing Sincere Garden, Zhuji Greentown Plaza and Haining Lily New Town, all of which were at the forefront of real estate developments in their respective markets. During the Year, the Greentown Group's properties achieved market shares of 9.3% and 14.7% in Zhejiang and Hangzhou respectively, outperforming all its competitors in the two areas.

### Project Development

The Group commenced construction work for new projects with a total gross floor area ("GFA") of 6.92 million sq.m. during 2010, representing a shortfall of 38% from the target we set at the beginning of the Year which was 11.13 million sq.m. due to the change of market conditions, the Group's own operating conditions and its overall schedule of project launches.

During the Year, the Group completed a total GFA of 3.02 million sq.m. and a total saleable area of 2.06 million sq.m., 92% of which was sold by the end of 2010, in line with the schedule formulated by the Group at the beginning of 2010. As at 31 December 2010, the Group had 68 projects with a total GFA of 12.06 million sq.m. under construction.

### Land Bank

In 2010, the Greentown Group acquired an additional 18 land sites. They were located in Hangzhou, Zhoushan, Deqing, Lin'an, Ningbo and Wenzhou, all in Zhejiang province, as well as in other areas including Shanghai, Beijing, Jiangsu, Hebei and Shandong. All of these sites were acquired via the process of bidding invitation, auction and listing. They have a total area of approximately 2.43 million sq.m., and a planned GFA of approximately 4.91 million sq.m., of which 3.10 million sq.m. will be attributable to the Group. The total amount of land premiums paid was RMB22.3 billion (of which RMB12.8 billion was attributable to and borne by the Group) while the average floor land price (calculated on the basis of the planned GFA) was RMB4,538 per sq.m. By the end of 2010, the total GFA of the Greentown Group's land bank exceeded 37 million sq.m., of which approximately 24.22 million sq.m. was attributable to the Group. The increasingly diversified locations of the Group's land bank projects across the country will help ensure the success of its future developments.

### Construction Management Business

Greentown Property Construction Management Company Ltd. (“Greentown Construction”) was established in September 2010. This professional entity is engaged in real estate brand service management, and it integrates Greentown’s brands and management resources. Through this new company, the Group aims to realise the commercial value of its professional management and resource integration abilities in full. The Group’s large-scale cooperation with external institutions allows it to increase revenue by providing management services while minimising the risk of entailing liabilities, thereby helping the Group venture into new markets and boost its profitability. Since its establishment in September 2010, Greentown Construction has entered into contracts for 27 projects with a total GFA in excess of 4.90 million sq.m. as at the end of February 2011.

### **Future Prospects**

In 2011, the PRC government will focus on inflation control and continue to implement macro control measures on the real estate market, which will bring about challenges to the property development industry. The Group will monitor the situation carefully and react proactively by enhancing its organic growth momentum and strengthening its risk management. While the Group always ensures to maintain a safe operation, it also strives for a continuous growth. In 2011, a total of 98 existing and new projects of the Greentown Group will be sold, which is expected to generate sales revenue of approximately RMB120 billion. The Group will continue with its strategy of “earlier, faster and greater sales” for rapid asset turnover. In response to market demand for high-quality product and service, the Group will accelerate its sales promotion and cash flow turnover in order to achieve a better sales result than last year.

Mr. Shou Bainian, Executive Vice-Chairman & Chief Executive Officer of Greentown said, “The Group is well prepared to face market changes ahead. In accordance with its policy of maintaining a balance between operational risk and growth potential, Greentown will implement a flexible acquisition strategy for its land bank and a selective joint development model, as a means of strengthening its ability to acquire land at minimal risk. Moreover, the Group will promote its construction management business to expand its scale without bearing increased liabilities so as to improve return on assets and widen its source of income. Furthermore, the Group will enhance cost control management and boost the profitability of its projects.”

Mr. Shou concluded, “Despite market fluctuations in 2010, Greentown continued to achieve outstanding results, which was attributable to its emphasis on quality. Thanks to our prestigious brand image in real estate market, Greentown projects always created selling sensations on their launches, which not only sped up cash inflow but also boosted our profitability. According to a China Real Estate Top 10 Research Team survey conducted in 2010 on the value of the PRC real estate brands, Greentown ranked second with a brand value of RMB8.0 billion. Its brand value increased by a compound annual growth rate of 42.61% and it attained premiums ranging from RMB2,500 to RMB4,000 per sq.m. Leveraging the Group’s brand advantages, Greentown will solidify its real estate development business while strengthening its cooperation with business partners to explore opportunities in property investment, management and construction. Greentown is striving to be an outstanding comprehensive real estate corporation in the PRC.”

**About Greentown China Holdings Limited**

Greentown is one of the leading property developers in China. It plays a leading role in the industry leveraging on its quality properties. Greentown is a quality national residential property developer and its operations extend to over 50 cities including important cities in Yangtze River Delta regions, Bohai Rim Economic Belt, Beijing, and other provincial cities. The record sales performance has ranked Greentown one of the best Chinese property developers in 2010. From 2005 to now, the “Greentown” brand was ranked for seven consecutive years among the “Top 10 Most Valuable Property Brands in China” by authoritative organizations.

This press release is issued by PR Concepts Asia Limited. For enquiries, please contact:

Ms. Sally Wong / Ms. Virgini Fung

Tel: (852) 6013 1065 / 6155 2981

Email: [sally@prconcept.com](mailto:sally@prconcept.com) / [virgini@prconcept.com](mailto:virgini@prconcept.com)