

[For Immediate Release]



Greentown China Announces 2016 Annual Results
Total Contracted Sales Exceed the RMB100 Billion Mark
Net Profit Grows by 76.6%
Final Dividend Stands at RMB0.12 per Share

(27 March, 2017 – Hong Kong) **Greentown China Holdings Limited**, one of the leading property developers in the PRC (“Greentown China” or the “Company”; 3900.HK), is pleased to announce today strong performance for its annual results for the twelve months ended 31 December 2016 (“the Year”).

During the Year under review, Greentown China recognized net profit of RMB2.223 billion, representing an increase of 76.6% from RMB1.259 billion in 2015. Profit attributable to the owners of the Company amounted to approximately RMB1.917 billion, which increased by 135.8% as compared with the previous year. The Company recognized revenue of RMB28.976 billion, up 11.2% year-on-year. Basic earnings per share was RMB0.70, representing an increase of 180% compared with last year. As at 31 December 2016, bank balances and cash and pledged bank deposits totalled RMB24.97 billion (31 December 2015: RMB18.24 billion); and net gearing ratio was 58.1%, representing a significant improvement from 73.0% of last year. The weighted average interest cost for the Year decreased to 5.9% per annum, denoting a remarkable reduction from 7.3% per annum of 2015.

The Board has recommended payment of a final dividend of RMB0.12 per share for the Year ended 31 December 2016 (2015: nil).

Mr. Cao Zhounan, Chief Executive Officer of Greentown China Holdings Limited, said, “2016 is a year in which Greentown China made arduous efforts in self-improvement. With the full support from all of our shareholders, we firmly implemented the vision of being an ‘integrated service provider for ideal lifestyle’ and fully deployed the development strategy of ‘service platform building, real estate financialization and property development specialization’. The combination of a terrific growth in operating results and sound financial situation highlighted the effectiveness of the Company’s precise investments, continuous innovation efforts and courage to practice in response to market changes and/or reform over the past year.”

More Than 58% Growth in Sales, Exceeding RMB100 Billion for the First Time

In 2016, Greentown Group (the “Group”; including Greentown China Holdings Limited and its subsidiaries together with its joint ventures and associated companies) recorded an accumulated total contracted saleable area of approximately 6.26 million sqm, and a total

contracted sales amount of approximately RMB113.9 billion for both its investment and project management projects, representing an increase of 58.4% over the previous year. This broke through the RMB100 billion mark for the first time for the Group.

Among the above, Greentown Group has recorded an accumulated total contracted saleable area of approximately 4.83 million sqm, and a total contracted sales amount of approximately RMB95.8 billion, of which the equity amount attributable to Greentown China was approximately RMB51.1 billion in 2016. As at 31 December 2016, the Group had accumulated subscription sales of RMB2.5 billion, of which approximately RMB1.3 billion was attributable to Greentown China. Average sales price of investment projects reached RMB19,813 per sqm.

In addition, the projects under its project management business where Greentown Group engaged in delivering brand value and management expertise (non-investment projects, referred to as the “projects under Project Management”) recorded a total saleable housing area of approximately 1.43 million sqm, and a contracted sales amount of approximately RMB18.1 billion in 2016.

The total saleable housing area of Greentown Group in 2017 is estimated to reach 8.71 million sqm, with a total saleable amount of RMB149.3 billion. Thereinto, the Greentown Group will have 105 investment projects or projects by phases for sales. It is expected that the total saleable housing area would reach 5.71 million sqm, and overall saleable amount is expected to reach approximately RMB112.5 billion (of which, saleable property inventories from 2016 stand at RMB55.7 billion, and expected new saleable property inventories in 2017 amount to RMB56.8 billion). The saleable housing area in first-tier and second-tier cities is about 1.53 million sqm, and the saleable amount is approximately RMB43.5 billion, accounting for 38.7% of the total saleable amount in 2017. The saleable housing area of projects under Project Management of Greentown Group is estimated to reach 3 million sqm in 2017, with a saleable amount of RMB36.8 billion.

Gradual Optimization of Land Reserve Reaps Results

In 2016, the competition of land in first-tier and second-tier cities intensified. Land sales continually broke new record-high prices. Greentown China’s investment strategy emphasizes surrounding the “key cities, core land”. The Company also sets reasonable limit to its land acquisitions to effectively prevent the Company from acquiring overpriced “land king” projects, so as to minimize the negative impact on the overall cash flow and financial position of the company as well as to ensure an improvement in the gross profit of its property developments. During the Year, the Group added nine high quality land sites in key cities such as Beijing, Tianjin, and Hangzhou through public land auctions and acquisitions, etc. Total GFA of new projects for the Year was approximately 2.28 million sqm, of which approximately 1.60 million sqm was attributable to the Company. Total land premium of new projects amounted to approximately RMB18 billion, of which approximately RMB10.6 billion was attributable to the Company. The newly added land resources were estimated to have a value of approximately RMB44.7 billion, of which approximately RMB28.5 billion was attributable to the Company’s equity. Average GFA price for the new land was approximately RMB11,676 per sqm.

As at 31 December 2016, Greentown Group had land bank reserves with a total GFA of approximately 29.12 million sqm, of which approximately 13.33 million sqm was attributable to the Company. Total saleable area amounted to approximately 20.72 million sqm, of which approximately 12.21 million sqm was attributable to the Company. Average GFA land cost was approximately RMB3,474 per sqm. The proportion of land reserve in the first-tier and second-tier cities has risen from 37% in 2015 to 43% in 2016.

Breakthrough in Quality and Improvement in Cost Effectiveness

In 2016, Greentown Group continued to enhance cost effectiveness and satisfaction level of customers as its overall quality of products and services improved further. Greentown has been jointly voted as “Top 10 Chinese Real Estate Enterprises by Comprehensive Strengths” for 12 consecutive years by the Development Research Center of the State Council, the Institute of Real Estate Studies at Tsinghua University and the China Index Academy, and reflected as “Top 10 Largest Chinese Real Estate Enterprises”. It has also won the title of “Top 10 Brands of Chinese Real Estate Enterprises (Diversified Ownership)” for 13 consecutive years with a brand value of RMB25.39 billion. At the same time, with the efforts of maintaining quality of products and services at the highest standards, Greentown was awarded “2016 Leading China Real Estate Brands with Excellent Customer Satisfaction”.

Innovative Project Management Creates Great Advantage

As one of the leading companies in the project management industry in the PRC, Greentown Project Management under Greentown China is featured by leveraging or delivering brand value, management expertise and resources network, which has been well received in the market. In 2016, the Company successfully completed the business combination and reorganization of the project management business in Greentown Project Management and the project management business of Bluetown Property Construction Management Group Co., Ltd., and realized the phrasal objectives of projects integration, control integration and team integration as scheduled. As at 31 December 2016, the total number of projects managed by Greentown Project Management was 164 in total, with a planned total GFA of approximately 45.57 million sqm. Estimated total saleable amount reached approximately RMB253.1 billion. Greentown Project Management has evolved into the nation’s largest professional project and management group with leading quality.

Outlook: Build the No.1 Brand of “Integrated Service Provider for Ideal Lifestyle”

Looking into 2017, real estate investments will continue to grow, supporting the stable development of the economy. Under the new round of market regulation measures under the idea of “different cities, different policies”, it is expected that, in the short run, the progress of inventory reduction in third-tier and fourth-tier cities will speed up, while tighter regulatory restrictions in first-tier and second-tier cities with growth in property sales slowing down might be seen. As large real estate enterprises are striving for bigger market share, there may even be keener competition in the industry.

Facing reforms and vigorous competition in the real estate industry, Greentown Group, in line with the new industry norms, is accelerating its transformation in branding, professionalization, platform development, financial operations and integrated efficient development on the back of the full support from substantial shareholders including the state-owned China Communications Construction Group Limited and Hong Kong-listed blue chip The Wharf (Holdings) Limited (0004.HK), together with founding shareholders including Mr. Song Weiping, a renowned entrepreneur in real estate industry in China. The focus of Greentown Group's profit model is gradually changing to focus on the added value from service and capital, with added value property development serving an ancillary role. The range of property developments extends from core urban areas to suburban towns. For residential developments, there will be a return to the functionality of dwelling and living, with a view to winning customers with highly cost-efficient products and services. Concurrently, the Group will gradually develop new businesses, such as capital operations, featured town constructions and innovative living services, so as to display its competitive advantages with its diversified profit model.

In 2017, the Group will establish Greentown Living Services based on its foundation of "one body, four wings", serving the purpose of "putting people in the center, starting from living", while establishing a "client-oriented organization and management system" and a "highly responsive client-oriented living services platform" to foster the provision of a full series of quality living services. Greentown Living Services will cooperate with Greentown Real Estate, Greentown Project Management, Greentown Asset Management and Greentown Town Development in developing its professional development and management capabilities covering investment and development, project management, assets operations, town development, living services and other areas of the entire industrial chain in full gear.

Mr. Cao Zhunan concluded, "Looking ahead, Greentown Group will fully display all the characteristics of a mixed ownership enterprise to promote diversified development in the five major segments of Greentown Real Estate, Greentown Project Management, Greentown Asset Management, Greentown Town Development and Greentown Living Services as we endeavor to inherit Greentown's spirit in the pursuit of supreme qualities. We believe that the Group is leading the real estate industry with its revolutionary profit model, which will guide Greentown to fulfill its goal of becoming an 'integrated service provider for ideal lifestyle', and to form the benchmark of a real estate enterprise incorporating the ideas of 'beautiful architecture' and 'beautiful life'".

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About Greentown China Holdings Limited

Greentown China Holdings Limited, one of the leading property developers in China, commands a leading position in the industry by leveraging its quality properties, unique architectural aesthetics and customer-centric residence services. The “Greentown” brand has been ranked among the “Top 10 Most Valuable Property Brands in China” by authoritative organizations for 13 consecutive years. Over 22 years of development, Greentown has evolved into a mixed ownership enterprise engaging in the businesses of property development, construction management, asset operation, town development and living services, striving to be the No.1 “integrated service provider for ideal lifestyle” in China with the aim of maintaining its foremost position in the market with high construction quality and excellent living services. To date, Greentown has over 300 member companies and its scope of business covers more than 20 provinces, autonomous regions and municipalities. It has presence in over 100 cities, having constructed more than 400 exquisite property complexes.

For further information about Greentown China, please visit the company website at www.greentownchina.com

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