



[Immediate Release]

Greentown Announces 2013 Interim Results

***** Profit Attributable to Owners of the Company
Increased to RMB1.855 Billion*****

***** Strict Control Keeps Net Gearing Low at 49.5% *****

Results Highlights

- The Group recorded revenue of RMB10.214 billion.
- Net profit amounted to RMB2.456 billion, representing an increase of 8.7% compared to the corresponding period last year.
- Net profit margin amounted to 24.0%, showing a significant improvement as compared to 17.9% during the same period in 2012.
- Profit attributable to owners of the Company amounted to 1.855 billion, representing an increase of 2.4% compared to the same period in 2012. After deduction of the net gains from acquisitions and disposals, and effects from fair value adjustment of derivative instruments, the core profit attributable to owners of the Company amounted to RMB1.620 billion, representing an increase of 19.6% compared to the same period in 2012.
- Basic earnings per share amounted to RMB0.82.
- Net gearing ratio amounted to 49.5%, representing a substantial decrease from 93.5% as at 30 June 2012.
- Land bank reached 41.39 million sqm. of total gross floor area (“GFA”), which is sufficient for the Group’s development for the coming five years.

(26 August 2013, Hong Kong) Greentown China Holdings Limited (“Greentown” or the “Company”, and together with its subsidiaries, the “Group” (stock code: 03900.HK)), one of the leading property developers in China, announced its interim results for the six months ended 30 June 2013 (“the Reporting Period”).

In the first half of 2013, the Group recorded a revenue of RMB10.214 billion. The Group realized a net profit of RMB2.456 billion, representing an increase of 8.7% compared to the same period in 2012. The net profit margin amounted to 24.0%. Profit attributable to owners of the Company amounted to RMB1.855 billion, representing an increase of 2.4% compared to the same period in 2012. However, after deduction of the net gains from acquisitions and disposals, and effects from fair value adjustment of derivative instruments, the core profit attributable to owners of the Company amounted to RMB1.620 billion, representing an increase of 19.6% compared to the same period in 2012. Basic earnings per share of RMB0.82, representing a decrease compared to the same period in 2012, primarily due to the increase in the weighted average number of ordinary shares following the placing of approximately 490 million new shares to a wholly-owned subsidiary of The Wharf (Holdings) Limited (“Wharf”, stock code: 00004.HK) in 2012.

Business Review

In the first half of 2013, the provision of quality products and services remained the operating focus of Greentown. The Group was ranked no.1 in terms of resident satisfaction in several cities where it has a presence, such as Beijing, Shanghai, Hangzhou, Ningbo, Qingdao, Changsha etc, in the 2013 China Real Estate Customer Satisfaction Survey (2013年中國房地產顧客滿意度調查), and has realized improvement on both products and services.

Leveraging on Greentown's prominent branding, product quality and market position as well as its timely adjusted sales strategies, the Group has achieved remarkable growth in terms of contract sales during the Reporting Period. In addition, Greentown has expanded the team of sales agents, reinforced training that focusing on professional quality and sales techniques, strengthened efforts on efficiency assessments, therefore, the overall quality and efficiency of the sales team has been further improved to a higher level. Securing sufficient resources for the Group's future development, the Group seized the opportunities emerged in the extraordinarily low interest rate environment in global capital markets to raise funds while striving for enhancing its financial position.

Satisfactory Sales Performance

For the period up to 30 June 2013, Greentown Group (including Greentown China Holdings Limited, its subsidiaries and its joint ventures and associates) had sold 1.51 million sqm of properties with a sales amount of RMB32.5 billion (including agreement sales of RMB3.1 billion) up 47.7% compared to the same period in 2012, representing a 59% completion of the annual sales target set at the beginning of 2013. Contract sales amount attributable to the Group amounted to RMB15.3 billion, with an overall average selling price of RMB20,395 per sqm, representing an increase of 8.8% as compared to RMB18,744 per sqm during the same period in 2012.

Continuous Improvement in Debt Level

Since 2012, the global capital market has undergone extraordinarily low interest rate environment which provided an opportunity for the Group to tap additional funding channels at lower costs. Furthermore, as the second largest shareholder of Greentown and through its leadership and influence in the capital market, Wharf also help the Company tap into overseas capital markets for financing.

The Company issued a 5-year USD400 million senior notes in February 2013, another 5-year USD300 million senior notes in March 2013, and a 3-year RMB2.5 billion dim sum bonds in May 2013, and received positive response from the market. Our senior notes, with the coupon rate decreased from 8.5% in February and March to 5.625% in May which represents the lowest coupon rate amongst the companies with the same credit rating, provided capital support to us and improved our debt maturity profile. This reflects investors' recognition in the market position of the Company and their confidence in our future development. After the successful execution of the our financing plan in the first half of 2013, the Company has improved its short-term borrowing profile by achieving its target of maintaining more cash than debts that mature within one year. Meanwhile, a lower coupon rate would also reduce the Group's future finance expense which will benefit the cost control and translate into a better profitability.

During the second half of 2013, the Company, together with Sunac China Holdings Limited ("Sunac", stock code: 01918.HK) has completed syndicated loan in an amount of USD400 million at an interest rate of LIBOR +3.88%. The loans will be applied towards the completion of the acquisition of Dynasty on the Bund. The Company has also obtained a three-year term loan in the amount of USD100 million from BOC International Holdings Limited at an interest rate of LIBOR +4%, which will be applied as general working capital.

With the continuous improvement in the Group's liquidity and debt profile, together with satisfying sales performance, the Group's was able to consecutively receive credit rating upgrades from two leading rating agencies Moody's and Standard & Poor's during the six months ended 30 June 2013. As such, Moody's upgraded our rating from Caa1 to B2 and Standard & Poor's from CCC+ to B. Subsequently Standard &

Poor's further upgraded the rating by two notches from B to BB- in August of this year. The upgrade in credit rating on the one hand reflects the overall improvement of the Group's financial positions, while on the other hand, this also creates favorable conditions for the Group in the global capital market for future bond financing.

Sufficient Land Bank Reserve

In the first half of 2013, the Group added three parcels of quality land, representing a total site area of 384,000 sqm, as well as a total planned construction area of 1,320,000 sqm which translates into an average land cost of approximately RMB8,344 per sqm. As at 30 June 2013, the accumulated site area of the Group amounted to 21.16 million sqm, of which 11.52 million sqm was attributable to the Group. Total GFA amounted to 41.39 million sqm, of which 21.96 million sqm was attributable to the Group. Total saleable resources in our land bank reserve amounted to approximately RMB260.4 billion (including sold but not yet recognized amount of RMB82.4 billion), with the attributable amount of RMB135.5 billion (including sold but not yet recognized amount of RMB 46.5 billion). The Company currently expects that there is sufficient land reserve for the Group's development over the next five years.

Meanwhile, Shanghai Sunac Greentown Investment Holding Co. Ltd., the joint venture set-up by the Company and Sunac, successfully acquired two premium projects, Dynasty on the Bund in Shanghai and Jindou Golf Villa in Hangzhou during the first half of the year. The completion of these two acquisitions further enriched the current land bank reserve of the Company and enhanced Company's earning prospect. It also provided the foundation for the Company to explore mergers and acquisitions as well as effective expansion in the future.

Outlook

The global economy remains volatile, and drives for China's economic growth have gradually slowed down. Austerity measures on real estate market have become very common. Developers are required to pursue a steady and sustainable development path based on the industry layout in the future and its own edges. After several up and down in the industry, the Group has gained a more comprehensive insight into its position and future development. It will adhere to its core advantages to uphold prudent financing policies and sustainable development strategies, draw upon its strengths and consolidate and make use of its advantages and resources. Thus, the Group remains optimistic towards its future growth.

Greentown continues to pursue the goal of "exquisite quality and steady operation", and endeavor to further enhance meticulous management in organizational structure, personnel quality, development paces, cost control and management and other aspects to improve our operation. Meanwhile, the Company will pro-actively learning design concepts from excellent domestic and overseas products. To ensure that the product quality becomes the local benchmark, the Company will ensure a precise product positioning that meets market and consumer needs. Moreover, the Company will reasonably adjust its product structures, and continuously enrich its product types, so as to create industry-leading diversified products.

The Company will take a prudent approach on consider the strategic development of future projects and continue to adopt the core assets-light strategy of "brand output and management output". In this way, the Group can reduce its financial risks while enhancing the efficiency of its equity funds usage and allocation, realizing substantive and sustainable development. In respect of the existing cities, the Company will continue leveraging its brand, service and customer base to cement its leading position. In respect of new cities, the Company will research on the market size, industry dynamic and demographic structure of the local markets, and reduce its reliance on acquisitions of new land plots through competitive auction and listing as it did in the past. The Company will also take advantage of the industry consolidation to explore potential opportunities and discover under-valued land plots and to acquire high-quality projects through mergers and acquisition at a reasonable price. The Company will also rely on its partners to further penetrate new markets and enter into regions where its partners have an absolute

advantage in order to reduce development risks while maintaining sufficient land bank.

To ensure stable operation, the group will maintain a positive and open attitude towards the capital market. In accordance with specific market circumstances, it may increase its financing efforts whilst maintaining a reasonable debt level to further improve the existing debt structure. The Company will in the near future adhere to its financial system and standards, and maintain a reasonable debt ratio.

In the second half of 2013, Greentown Group expects to commence construction of projects with a GFA of approximately 4.20 million sqm, of which 1.93 million sqm is attributable to the Group. In addition, it is expected that 30 projects (or phased projects) will be completed in the second half of 2013 with a GFA of 3.06 million sqm, of which 2.34 million sqm is attributable to the Group. As at 30 June 2013, the sales revenue of Greentown Group that has not yet been recognized in the income statement amounted to RMB82.4 billion, of which RMB46.5 billion was attributable to the Group. The majority of these sales revenue is expected to be recognized gradually in the next two years. We are therefore optimistic about our earnings prospect.

Mr. Shou Bainian, Executive Vice-Chairman & Chief Executive Officer of Greentown said, “As an outstanding property developer shall possess not only the ability to create high-quality living space but also the ability to design and implement product services. We believe that the real estate industry has developed into such a stage where first-class real estate enterprises in competition will gradually focus on services. The enterprise that is the first to provide more attentive services and show insight into what customers’ needs will dominate new markets. Adhered to the principle of creating to quality Greentown products, Greentown persists in enhancing service quality, with a focus on the elements of high-quality living, including safety, practicability, durability, comfort, harmony and sense of value, in the hope of transforming itself from a first-class property developer into a service provider of premium urban life.”

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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 40 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 recent years. From 2005 to 2012, the “Greentown” brand was ranked for nine consecutive years among the “Top 10 Most Valuable Property Brands in China” by authoritative organizations.

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