

[Immediate Release]



**Gearing Ahead to Transform into “Integrated Service Provider for an Ideal Life” and Explore the Asset-Light Model
Greentown Announces 2017 Interim Results with EPS Surging 130%**

(28 August 2017 – Hong Kong) **Greentown China Holdings Limited**, one of the leading property developers in China (“Greentown China” or the “Company”; stock code: 3900.HK) announced today its interim results for the six months ended 30 June 2017.

In the first half of 2017, Greentown China recognized a net profit of RMB1,270 million, representing an increase of 56.2% from RMB813 million over the corresponding period in 2016. Profit attributable to the owners of the Company amounted to approximately RMB1,229 million, which grew by 103.5% as compared with the corresponding period the previous year. Basic earnings per share was RMB0.46, up 130.0% from RMB0.20 year-on-year.

As at 30 June 2017, Greentown China’s bank balances and cash (including pledged bank deposits) totaled RMB36.735 billion (31 December 2016: RMB24.971 billion); and net gearing ratio was 57.9%, improving further from 58.1% as at the end of 2016. The weighted average interest cost of the total borrowings for the period was 5.6% per annum, representing a remarkable decrease from 6.3% per annum in the first half of 2016 and a significant improvement from 5.9% per annum for the full year of 2016.

Mr. Cao Zhounan, Executive Director and Chief Executive Officer of Greentown China Holdings Limited, said, “The first half of 2017 saw a great number of policies introduced to the real estate industry and the gradual tightening of the financial policies. Nevertheless, there were still huge demands in the market. In first-tier and second-tier cities, where land supply remained insufficient in the central areas, the excessive demands resulted in soaring sales of houses. In third-tier and fourth-tier cities, influenced by the overflowing demands from first-tier and second-tier cities and the implementation of destocking policy, the market continued to heat up. In face of the current market environment, Greentown China remains steadfast in its philosophy of ‘letting housing products return to their residential nature’. We provide high quality products and services to home-owners and, at the same time, make sure our businesses achieve quality growth. With the support of our shareholders and the efforts of all employees, the Company achieved gratifying results in the reporting period.”

Newly-added Land Plots Mostly Located in Central Areas of Core Cities

During the period under review, Greentown China acquired a total of 12 land sites, most of which are located in the core cities of Yangtze River Delta area and Pearl River Delta. The Company also made its first strategic entries into core cities like Guangzhou and Chongqing. The total gross floor area of the new projects acquired in the first half of 2017 was approximately 2.95 million sqm. Total land acquisition cost amounted to approximately RMB24.5 billion, of which approximately RMB16.1 billion was paid by the Company. The scale of investment reached record high among corresponding periods in previous years.

As at 30 June 2017, Greentown Group (the “Group”, including Greentown China Holdings Limited and its subsidiaries, together with its joint ventures and associates) had an aggregate gross floor area of approximately 30.57 million sqm. The proportion of land reserves of the Group in first-tier and second-tier cities rose to 47% from 43% as recorded at the beginning of the year. Land reserve structure continued to optimize further.

Contract Sales Surged 31.1%, Hitting Record High

In the first half of 2017, Greentown Group recorded a total contracted sales area of approximately 3.46 million sqm, and a total contracted sales amount of approximately RMB59.5 billion, hitting a record high with an impressive year-on-year growth of 31.1%.

Of these, investment projects recorded a total contracted sales area of approximately 2.05 million sqm. Total contracted sales amount stood at approximately RMB44.2 billion, of which approximately RMB23.9 billion was attributable to the Group. Average selling price for the investment projects reached RMB21,540 per sqm, further improved from RMB19,281 per sqm for the six months ended 30 June 2016, leading among property developers nationwide.

Moreover, the projects under project management business where Greentown Group is engaged in delivering brand value and management expertise (non-investment projects, referred to as “projects under project management”) recorded a total sales area of approximately 1.41 million sqm, and a contracted sales amount of approximately RMB15.3 billion in the first half of 2017.

Establishment of Greentown Ideal Life; Coordinated Development of Five Business Segments

In 2016, Greentown China established the organization structure of “one body, four wings” comprising Greentown Real Estate, Greentown Project Management, Greentown Asset Management and Greentown Town Development. Riding on this foundation, the Group further set up Greentown Ideal Life, the fifth business segment in the first half of 2017. The five sub-groups now coordinate efficiently with each other to realize the strategy of “Property Development Professionalization, Real Estate Financialization and Service Platform Building”.

Greentown Real Estate focuses on investment project development and enjoys a leading position in the industry by virtue of excellent quality of its housing projects. In March 2017, Greentown Real Estate invested in a quality commercial residential project in Jakarta, Indonesia, marking the first step Greentown took in overseas expansion.

Greentown Project Management, being the largest and most professional project management company in China, focuses on non-investment project management and exports its expertise in branding, management and resources. As at 30 June 2017, the number of projects undertaken by Greentown Project Management reached 165 in total, with a planned gross floor area of 49.65 million sqm and a total estimated sales value of RMB280.1 billion, allowing Greentown to stay at the forefront of the industry for its premium quality and scale across China.

Greentown Asset Management focuses on the three core business areas of “financial investment and management, industrial investment and management, investment and management of holding assets” with the aim of building a financial holding platform to achieve the strategic transformation from “asset management” to “capital operation” for the comprehensive construction of a professional, innovative and high quality financial service platform.

Greentown Town Development works on the building of unique towns catering for needs of different industries. Since its inception in July 2016, Greentown Town Development has made substantial progress in developing existing town projects, and has worked on unique town projects for agricultural, tea, flower and red wine industries, to name a few.

Greentown Ideal Life undertakes Greentown’s development strategy of “Service Platform Building” by creating the unique housing 4S service business model with real estate brokerage, housing 4S and commercial operations as the main business segments. It strives to provide quality living services for Greentown home-owners and the public, and extend from “creating beautiful cities” to “creating beautiful lives” to help Greentown China in its strategic transformation.

Prospects

Adhering to Dual-Core Investment Strategy in Second Half

Moving into the second half of 2017, Greentown China will adhere to the investment strategy of “core cities, core areas” by focusing on three urban agglomerations of Yangtze River Delta, Pearl River Delta and Beijing-Tianjin-Hebei as well as four metropolitan areas of Beijing, Shanghai, Guangzhou and Shenzhen. Striving to realize the objectives of “strategic adjustment of investment stocks, optimized structure, and steady development”, the Company will focus on the new entry of strategic and key cities and development model innovation, develop projects of high gross margin and high turnover rate, and make every effort to achieve zero asset sedimentation and improve investment efficiency.

At the same time, by drawing reference to the successful cases of National Games Villages in Jinan, Shenyang and Tianjin, Greentown China will actively connect with the project construction of National Games Village and Asian Games Village to gradually develop the model of sports event operation instilled with Greentown characteristics.

Moreover, in addition to bidding, the Company will actively explore mergers and acquisitions, integration of industry and city, rail transit property, old city transformation and other ways to obtain land. Greentown China will increase cooperation with the industry benchmarking enterprises in more flexible ways, and explore cross-industry cooperative opportunities with enterprises possessing high quality industrial resources to enhance investment capacity through complementary advantages.

Transforming from Developer to Service Provider to Realize the Asset-Light Model

With the gradual saturation of China's property market, coupled with the increasingly stern policies, the Company will accommodate market changes by transforming itself from a developer to a service provider.

Riding on the basis of its five business segments, Greentown China will actively seek diversified development path and accelerate its strategic transformation to tackle the changes of the real estate market. With the goal of becoming the "No.1 integrated service provider for an ideal life in China", the Group will vigorously promote the asset-light model in real estate development, develop characteristic towns in accordance with the consumption upgrade of housing products, and actively adjust its inventories.

Greentown Real Estate will continuously improve its integrated capabilities of real estate development with a focus on strategic goals including but not limited to product quality, service quality and turnover rate.

Greentown Project Management will further promote the asset-light model of the Company. It will further expand the business scale of commercial project management, government project management and capital project management, etc., and lead the industry in quality, efficiency, standards and other aspects to ensure that the Company cements its No. 1 position in the industry.

Greentown Asset Management, with the strategic objective of "Real Estate Financialization", will further unleash the liquidity of assets and optimize the Company's asset structure. The Company will also expand diversified financing channels and build Greentown's unique real estate capitalization model comprising an internal financial holding platform for all-round financial support to the main businesses.

Greentown Town Development will ride on the trend of housing products consumption upgrade and favorable national policies to strengthen the industrial exploration and acquirement of characteristic towns and gradually form the peculiar model of town development and operation.

Greentown Ideal Life will revolve around the complete chain of customers' lives and the full life cycle of housing products by building a high-end community online service

platform named “Beautiful Greentown” with the use of big data and internet technology. The platform will integrate offline service resources for the future core competitiveness of Greentown China.

Mr. Cao Zhounan concluded, “In the future, Greentown Group will further deepen its mixed ownership reform. Relying on the abundant resources of China Communications Construction Group as well as the influence of Hong Kong blue-chip enterprise Wharf (Holdings), we will carry out multi-directional strategic cooperation. With the unremitting pursuit of product perfection and service quality by our founding shareholder Mr. Song Weiping, the Group will spare no effort in evolving itself into a role model of mixed ownership enterprises. On the whole, with the coordinated development of the five business segments, Greentown Group will fully demonstrate its core competitiveness through the transformation from ‘building houses’ to ‘building lifestyle’ in the market, and will accelerate the realization of the beautiful vision of becoming an integrated service provider for an ideal 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 23 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. With the full support of the Company’s substantial shareholders including state-owned enterprise China Communications Construction Group, Hong Kong blue-chip enterprise The Wharf (Holdings) Limited, and the leadership of its founding shareholders (including Mr Song Weiping, a renowned entrepreneur in the real estate industry in China), Greentown strives to be the No.1 “Integrated Service Provider for an Ideal Life” 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. 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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