



[Immediate Release]

**Greentown Posts Historic High Pre-sales in the first half**  
**Enhancing Product Quality and Strengthening Asset Management Policy**  
**\*\*\* Secured Sales Contracts of RMB 31.5billion in first 8 months \*\*\***

**Results Highlights**

- Earnings for the first half of 2009 were RMB354 million, of which RMB323 million was the profit attributable to the owners of the Company. Basic earnings per share for the Reporting Period amounted to RMB0.21. The Board has resolved to declare an interim dividend of HK9.6 cents per share in respect of the six months ended 30 June 2009.
- Continuous improvement of product quality enables the Group to strengthen its foothold as a leading player in the high-end property market in the PRC. During the Reporting Period, the Group achieved a new historic high sales/pre-sales of RMB21.1 billion which was a result of its excellent quality, strong brand recognition and unremitting efforts in sales. As at 31 August 2009, the sales/pre-sales reached RMB31.5 billion, reaffirming its position as one of the top players in China.
- During the Reporting Period, the Group has completed all deliverable GFA on schedule, with recognized revenues of RMB4.4 billion (including subsidiaries and associates/jointly controlled entities), of which RMB2.5 billion is attributable to the Group.
- As at 31 August 2009, revenues of RMB9.3 billion and RMB26.7 billion have been locked-in through sales/pre-sales contracts for 2H 2009 and years after 2009, respectively, of which RMB6.6 billion and RMB16.7 billion are attributable to the Group. Total revenue locked-in through sales/pre-sales contracts but not yet recognised thus amounts to RMB36.0 billion, of which RMB23.3 billion is attributable to the Group.
- As at 31 August 2009, 85% of the above-ground saleable area to be completed in 2009 has been sold.
- Given the strong cashflow from sales, net gearing ratio decreased from 140% as at 31 December 2008 to 108% as at 30 June 2009.
- Thanks to the robust sales as well as the Group's ample bank credit and diversified financing channels, the Group has had healthy cashflows. As at 30 June 2009, the Group had a cash balance of RMB6.0 billion and accounts receivable from contracted sales/presales of RMB6.1 billion.
- During the first eight months of 2009, the Group acquired 5 plots of land with total gross floor area ("GFA") of 1.77 million sq.m.. As at 31 August 2009, GFA of the Group's total land bank exceeded 26 million sq.m..

(17 September 2009, Hong Kong) Greentown China Holdings Limited (“Greentown” or the “Group”, one of the leading property developers in China; SEHK: 3900.HK) announced its interim results for the six months ended 30 June 2009. The Group recorded revenue of RMB1,940 million. Gross profit margin was 30%. Net profit attributable to equity holders amounted to approximately RMB323 million. Basic earnings per share were RMB21 cents. The Board has resolved to declare an interim dividend of HK9.6 cents per share in respect of the six months ended 30 June 2009.

## **Business Review**

### Property Sales

During the reporting period, sales performance of all operating regions of the Group (including associates and jointly controlled entities) was much better than previous year with sales/pre-sales recorded RMB21.1 billion (including RMB18.4 billion of contracted sales and RMB2.7 billion of agreement sales), representing a growth of 170% compare with the same period last year. Sales/pre-sales attributable to the Group grew 150% from the same period of last year to RMB13.8 billion. It set a new record for Group. During the Reporting Period, the Group’s sales represented one of the highest among all the property developers in the PRC. Average selling price increased 16% from RMB11,600 per sq.m. in the same period of last year to RMB13,445 per sq.m.. In the first half year of 2009, the Group’s sales ranked the top in Hangzhou as well as cities such as Wenzhou, Zhoushan, Haining, Deqing, Xiangshan, Hefei and Jinan.

### Development Strategy

Leveraging on outstanding product quality, strong brand effect and committed sales efforts, the Group managed to achieve prominent sales performance. Property projects of the Group from ordinary apartments to high-end properties were sold well. As at 31 August 2009, the Group (including associates and jointly controlled entities) recorded sales/pre-sales of RMB31.5 billion (including agreements), an increase of 158% compared with the same period of last year. Sales/pre-sales attributable to the Group amounted to RMB19.7 billion, representing an increase of 129% over the same period of last year. The Group had 51 on-sale projects in 25 cities, with the core areas of Hangzhou, Zhejiang, Beijing and Shanghai representing 80% of total sales. Four major projects, namely Wenzhou Lucheng Plaza, Hangzhou Blue Sapphire Mansion, Beijing Majestic Mansion and Shanghai Bund House achieved sales/pre-sales of RMB12.4 billion this year.

The Group will adjust the work progress in response to market situation so as to assure the completion plan for the year to be fully accomplished. In the first half of 2009, all projects planned to be delivered were completed as scheduled with completed total GFA of 570,000 sq.m. and completed above-ground saleable GFA of 400,000 sq.m.. The progress of other projects to be delivered in the year was also on track. 85% of the above-ground saleable GFA completed in the first half of 2009 was sold on or before 30 June 2009. According to the existing completion schedule, it is anticipated that 870,000 sq.m. of above-ground saleable GFA will be completed in the second half of 2009.

The Group implemented stringent asset management policies and reinforced risk management. The Company successfully redeemed 90.3% of its US\$400 million senior notes due 2013 in the first half of 2009 which enabled the Company to have more room for development without the restrictive covenants of the senior notes. On 10 September 2009, Greentown Real Estate Group Co., Ltd (“Greentown Real Estate”), a wholly-owned subsidiary of the Company entered into a framework agreement with Ping An Trust & Investment Co. Ltd (“Ping An Trust”), pursuant to which Greentown Real Estate and Ping An Trust agreed to set out the cooperation framework for the investment in real estate projects in different parts of the PRC. It is expected that the total capital to be invested by Ping An Trust will amount to RMB15 billion in the next three years, of which an estimated amount of

RMB3 billion to RMB5 billion will be invested in 2009. The cooperation with Ping An Trust will not only develop a new financing channel for the Group, but will also allow the Group to enter into the field of property fund management, thus providing support to the Group's rapid development in the future.

### **Future Prospects**

The Group believes that The long term prospect of China's macro economic growth is still positive, and the relatively relaxed macroeconomic policies as well as the expectation of inflation shall bring opportunities for the property market. The property market has entered into a new development cycle with more opportunities available for the leading industry players. In view of the general tight supply situation amid the overall healthy market outlook of the core regions of the Group, the Group's ample inventory of properties available for sale should ensure its promising growth.

Mr. Shou Bainian, Executive Vice-Chairman & Chief Executive Officer of Greentown said, "The Group will adopt flexible marketing strategies to accelerate sales and thus turnover of assets. Land bank expansion will be strategically concentrated in Zhejiang, Yangtze River Delta Region with Shanghai as the centre and Bohai Rim Region with Beijing as the centre, that will ensure the Group's sustainable development and profitability in these regions. Size of the land bank will be set to satisfy future development in the next three years.

Mr. Shou added, "The Group will continue to consolidate and deepen the cooperation with existing strategic partners, enhancing the efficiency of "quality brand and professional management" on the basis of risk control, balancing the scale of development and financial risk control. The Group will also extend the cooperation platform with various financial institutions, implement various innovative financing channels and work on comprehensive budget management. Given the Group's ample supply in the next four months, we have raised our annual contracted sales target of 2009 to RMB38 billion."

### **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 a total of 30 cities including important cities in Yangtze River Delta regions, Bohai Rim Economic Belt, Beijing, and other provincial cities. It has aroused wide awareness towards its brand and gained fame. Total pre-sales for the first eight months of 2009 broke through RMB30 billion, representing a record high and has catapulted Greentown to the forefront of Chinese property developers in 2009. From 2005 to 2009, the "Greentown" brand was ranked for five consecutive years among "Top 10 Most Valuable Property Brands in China" by authoritative organizations.

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