GREENTOWN CHINA HOLDINGS LIMITED

綠 城 中 國 控 股 有 限 公 司 *

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 03900)

INTERIM RESULTS ANNOUNCEMENT FOR THE SIX MONTHS ENDED 30 JUNE 2012

- Revenue achieved approximately RMB12.60 billion, representing an increase of 12.3% from the corresponding period of last year.
- Net profit margin amounted to 17.9%, achieving an improvement from the corresponding period of last year's 15.8%.
- Profit attributable to owners of the Company amounted to RMB1.81 billion, soared 103.0% from the corresponding period of last year.
- Basic earnings per share was RMB1.09, representing a significant increase of 101.9% compared to the corresponding period of last year.
- Net gearing ratio amounted to 93.5%, representing a significant improvement compared to 148.7% as at the end of last year.

The board of directors (the "Board") of Greentown China Holdings Limited ("Greentown" or the "Company") is pleased to announce the unaudited condensed consolidated interim results of the Company and its subsidiaries (collectively the "Group") for the six months ended 30 June 2012 (the "Reporting Period") prepared in accordance with International Financial Reporting Standards, together with comparative figures for the corresponding period in 2011. The interim results have been reviewed by the audit committee of the Company (the "Audit Committee") and approved by the Board. The following financial information is extracted from the unaudited condensed consolidated financial statements as set out in the 2012 Interim Report to be published by the Group.

* *For identification purposes only*

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE SIX MONTHS ENDED 30 JUNE 2012

		Six months ended 30 June	
		2012	2011
	Notes	***RMB'000***	*RMB'000*
		(Unaudited)	(Unaudited)
Revenue	*3*	**12,600,812**	11,216,159
Cost of sales		**(9,125,366)**	(7,424,921)
Gross profit		**3,475,446**	3,791,238
Other income	*4*	**506,006**	416,638
Selling expenses		**(244,861)**	(265,477)
Administrative expenses		**(599,646)**	(687,262)
Finance costs		**(272,137)**	(228,883)
Fair value changes on trust-related financial derivatives		**82,520**	(19,920)
Net gain on disposal of subsidiaries		**368,280**	–
Net gain on disposal of a jointly controlled entity		**1,879**	–
Net gain on disposal of associates		**54,190**	–
Gain on re-consolidation of a subsidiary		**49,980**	–
Gain on de-consolidation of a subsidiary		**–**	20,948
Share of results of jointly controlled entities		**232,473**	(17,411)
Share of results of associates		**25,994**	33,084
Profit before taxation		**3,680,124**	3,042,955
Taxation	*5*	**(1,419,880)**	(1,266,456)
Profit and total comprehensive income for the period		**2,260,244**	1,776,499
Attributable to:			
Owners of the Company		**1,811,498**	891,770
Non-controlling interests		**448,746**	884,729
		2,260,244	1,776,499
Earnings per share	*6*		
Basic		**RMB1.09**	RMB0.54
Diluted		**RMB1.08**	RMB0.54

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2012

	Notes	As at 30 June 2012 RMB'000 (Unaudited)	As at 31 December 2011 RMB'000 (Audited)
NON-CURRENT ASSETS			
Property, plant and equipment		**3,179,277**	2,861,141
Investment properties		**1,730,000**	1,730,000
Interests in associates		**5,037,434**	5,866,392
Interests in jointly controlled entities		**1,282,983**	1,061,033
Available-for-sale investments		**327,305**	303,300
Prepaid lease payment		**189,756**	196,726
Rental paid in advance		**13,576**	15,358
Deferred tax assets		**767,851**	728,165
		12,528,182	12,762,115
CURRENT ASSETS			
Properties for development		**10,622,019**	14,127,886
Properties under development		**51,161,152**	67,597,987
Completed properties for sale		**4,198,054**	2,956,620
Inventories		**87,987**	73,387
Available-for-sale investments		**23,750**	234,720
Trade and other receivables, deposits and prepayments	8	**5,301,119**	5,180,473
Amounts due from related parties		**14,908,692**	15,131,620
Prepaid income taxes		**1,494,730**	1,509,285
Prepaid other taxes		**2,141,348**	2,518,644
Pledged bank deposits		**2,535,047**	2,268,642
Bank balances and cash		**4,747,267**	3,615,149
		97,221,165	115,214,413
Assets classified as held for sale		**16,865,537**	–
		114,086,702	115,214,413
CURRENT LIABILITIES			
Trade and other payables	9	**14,836,329**	13,238,106
Pre-sale deposits		**39,900,915**	45,758,782
Amounts due to related parties		**9,870,180**	13,689,413
Dividend payable		**–**	164,026
Income taxes payable		**3,657,217**	2,935,305
Other taxes payable		**846,992**	926,474
Bank and other borrowings (due within one year)		**18,461,625**	15,877,335
Trust-related financial derivatives		**–**	82,520
Convertible bonds		**–**	186,466
		87,573,258	92,858,427
Liabilities associated with assets classified as held for sale		**8,764,911**	–
		96,338,169	92,858,427

	As at 30 June 2012 RMB'000 (Unaudited)	As at 31 December 2011 RMB'000 (Audited)
NET CURRENT ASSETS	**17,748,533**	22,355,986
TOTAL ASSETS LESS CURRENT LIABILITIES	**30,276,715**	35,118,101
NON-CURRENT LIABILITIES		
Bank and other borrowings (due after one year)	**8,373,545**	15,806,358
Amounts due to related parties	**–**	992,174
Senior notes	**242,737**	241,718
Deferred tax liabilities	**482,712**	434,537
	9,098,994	17,474,787
	21,177,721	17,643,314
CAPITAL AND RESERVES		
Share capital	**193,154**	166,441
Reserves	**14,947,255**	11,773,458
Equity attributable to owners of the Company	**15,140,409**	11,939,899
Non-controlling interests	**6,037,312**	5,703,415
	21,177,721	17,643,314

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
FOR THE SIX MONTHS ENDED 30 JUNE 2012

1. BASIS OF PREPARATION

The condensed consolidated financial statements have been prepared in accordance with International Accounting Standard 34 "Interim Financial Reporting" issued by the International Accounting Standards Board (the "IASB") as well as with the applicable disclosure requirements of Appendix 16 to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Listing Rules").

2. PRINCIPAL ACCOUNTING POLICIES

The condensed consolidated financial statements have been prepared on the historical cost basis except for certain financial instruments and investment properties, which are measured at fair values.

The accounting policies and methods of computation used in the condensed consolidated financial statements for the six months ended 30 June 2012 are the same as those followed in the preparation of the Group's annual financial statements for the year ended 31 December 2011.

In the current interim period, the Group has applied, for the first time, certain amendments to International Financial Reporting Standards ("IFRSs") issued by the IASB which are effective for the Group's financial year beginning on 1 January 2012. The application of these amendments to IFRSs in the current interim period has had no material effect on the amounts reported in these condensed consolidated financial statements and disclosures set out in these condensed consolidated financial statements.

3. REVENUE AND SEGMENT INFORMATION

An analysis of the Group's revenue from its major products and services is as follows:

	Six months ended 30 June	
	2012	2011
	RMB'000	*RMB'000*
Property sales	**12,011,259**	10,793,169
Hotel operations	**124,138**	115,551
Project management	**85,989**	137,400
Property rental income	**56,976**	39,798
Design and decoration	**227,904**	104,443
Sales of construction materials	**45,933**	13,874
Other business	**48,613**	11,924
	12,600,812	11,216,159

An analysis of the Group's revenue and results by reportable and operating segments for the period under review is as follows:

	Property development *RMB'000*	**Hotel operations** *RMB'000*	**Property investment** *RMB'000*	**Others** *RMB'000*	**Total** *RMB'000*
Six months ended 30 June 2012					
External revenue	**12,011,259**	**124,138**	**56,976**	**408,439**	**12,600,812**
Inter-segment revenue	**–**	**6,902**	**198**	**180,483**	**187,583**
Total segment revenue	**12,011,259**	**131,040**	**57,174**	**588,922**	**12,788,395**
Segment results	**2,196,610**	**12,604**	**(12,105)**	**16,566**	**2,213,675**
Unallocated administrative expenses					**(11,328)**
Unallocated other income					**33,058**
Unallocated finance costs					**(37,582)**
Fair value changes on trust-related financial derivatives					**82,520**
Unallocated taxation					**(20,099)**
Profit for the period					**2,260,244**

	Property development *RMB'000*	Hotel operations *RMB'000*	Property investment *RMB'000*	Others *RMB'000*	Total *RMB'000*
Six months ended 30 June 2011					
External revenue	10,793,169	115,551	39,798	267,641	11,216,159
Inter-segment revenue	–	5,098	430	340,770	346,298
Total segment revenue	10,793,169	120,649	40,228	608,411	11,562,457
Segment results	1,960,605	7,810	(21,381)	(22,399)	1,924,635
Unallocated administrative expenses					(36,555)
Unallocated other income					43,447
Unallocated finance costs					(90,330)
Fair value changes on trust-related financial derivatives					(19,920)
Unallocated taxation					(44,778)
Profit for the period					1,776,499

Segment assets

The following is an analysis of the Group's assets by reportable segment:

	As at 30 June 2012 *RMB'000*	As at 31 December 2011 *RMB'000*
Property development	**117,071,616**	119,352,193
Hotel operations	**2,357,816**	2,469,622
Property investment	**1,807,003**	1,800,169
Others	**2,765,088**	2,579,308
Total segment assets	**124,001,523**	126,201,292
Unallocated	**2,613,361**	1,775,236
Consolidated assets	**126,614,884**	127,976,528

4. OTHER INCOME

	Six months ended 30 June	
	2012	2011
	RMB'000	*RMB'000*
Interest income	**324,020**	267,583
Net foreign exchange gains	**–**	121,727
Government grants	**30,273**	6,615
Trust income	**130,769**	–
Others	**20,944**	20,713
	506,006	416,638

5. TAXATION

	Six months ended 30 June	
	2012	2011
	RMB'000	*RMB'000*
Current tax:		
PRC Enterprise Income Tax ("EIT")	**767,500**	852,364
PRC Land Appreciation Tax ("LAT")	**731,013**	498,495
	1,498,513	1,350,859
Deferred tax:		
Current period	**(78,633)**	(84,403)
	1,419,880	1,266,456

PRC EIT is recognised based on management's best estimate of the annual income tax rate expected for the full financial year, which is 25%. All PRC subsidiaries are subject to EIT levied at a rate of 25% (2011: 25%).

In addition, the Law of the People's Republic of China on Enterprise Income Tax (the "EIT Law") provides that qualified dividend income between two resident enterprises that have a direct investment relationship is exempted from income tax. Otherwise, such dividends will be subject to a 5% or 10% withholding tax under the EIT Law. A 10% withholding tax rate is applicable to the Group.

No provision for income tax has been made for the Company and its subsidiaries incorporated in Hong Kong as they have no assessable profits derived from Hong Kong.

For the six months ended 30 June 2012, the Group has estimated and made a provision for LAT in the amount of RMB731,013,000 (for the six months ended 30 June 2011: RMB498,495,000) according to the requirements set forth in the relevant PRC tax laws and regulations. The actual LAT liabilities are subject to the determination by the tax authorities upon completion of the property development projects and the tax authorities might disagree with the basis on which the provision for LAT is calculated.

6. EARNINGS PER SHARE

The calculation of the basic and diluted earnings per share attributable to the owners of the Company is based on the following data:

Earnings

	Six months ended 30 June	
	2012	2011
	RMB'000	*RMB'000*
Earnings for the purpose of basic earnings per share (profit for the period attributable to owners of the Company)	**1,811,498**	891,770
Effect of dilutive potential ordinary shares:		
Interest on the 2007 Convertible Bonds	**3,259**	4,129
Earnings for the purpose of diluted earnings per share	**1,814,757**	895,899

Number of shares

	Six months ended 30 June	
	2012	2011
Weighted average number of ordinary shares for the purpose of basic earnings per share	**1,667,409,986**	1,638,189,598
Effect of dilutive potential ordinary shares:		
The 2007 Convertible Bonds	**6,234,677**	8,297,621
Share options	**12,079,725**	19,683,509
Weighted average number of ordinary shares for the purpose of diluted earnings per share	**1,685,724,388**	1,666,170,728

7. DIVIDENDS

On 17 June 2011, a dividend of RMB0.36 per ordinary share, or RMB589,036,000 in total, was paid to shareholders as the final dividend for 2010.

The Board has resolved not to declare any interim dividend for the six months ended 30 June 2012 (for the six months ended 30 June 2011: RMB0.10 per ordinary share).

8. TRADE AND OTHER RECEIVABLES, DEPOSITS AND PREPAYMENTS

	As at 30 June 2012	As at 31 December 2011
	RMB'000	*RMB'000*
Trade receivables	**766,343**	402,958
Other receivables	**2,050,088**	2,858,368
Prepayments and deposits	**1,157,065**	1,142,132
Consideration receivable from disposal of subsidiaries, disposal/partial disposal of associates, and disposal of relevant Shareholders' loans	**1,327,623**	777,015
	5,301,119	5,180,473

The Group allows an average credit period of 90 days to certain trade customers with good credit standing. The aged analysis of trade receivables is stated as follows:

	As at 30 June 2012	As at 31 December 2011
	RMB'000	*RMB'000*
Within 30 days	**441,078**	117,337
31–90 days	**58,996**	87,885
91–180 days	**30,811**	49,955
181–365 days	**91,853**	45,672
Over 365 days	**143,605**	102,109
	766,343	402,958

9. TRADE AND OTHER PAYABLES

	As at 30 June 2012	As at 31 December 2011
	RMB'000	*RMB'000*
Trade payables	**9,097,864**	7,910,905
Other payables and accrued expenses	**4,687,969**	4,427,201
Deposit received on disposal of a subsidiary	**–**	900,000
Guarantee money received on disposal of a subsidiary	**1,050,496**	–
	14,836,329	13,238,106

Trade payables principally comprise amounts outstanding for trade purchases and contractor payments. The aged analysis of trade payables is stated as follows:

	As at 30 June 2012	As at 31 December 2011
	RMB'000	*RMB'000*
Within 30 days	**6,073,727**	5,606,464
31–90 days	**604,028**	378,790
91–180 days	**645,816**	727,779
181–365 days	**796,971**	611,788
Over 365 days	**977,322**	586,084
	9,097,864	7,910,905

MANAGEMENT DISCUSSION AND ANALYSIS

OPERATIONAL AND MANAGEMENT REVIEW

The first half of 2012 is of milestone significance in the history of Greentown's development. We have dealt with the challenges posted by China's macro-economic tightening policies calmly. Through a series of important measures such as enhancing the effectiveness of sales and marketing, introduction of strategic investors, and disposal of certain projects, the Group's financial strain was markedly relieved, thereby creating a good condition for the Group to implement its stability-oriented operational strategy. At the same time, through our relentless efforts in striving for the highest quality in our products and services, we have further enhanced Greentown's market leading position.

Results Overview

During the Reporting Period, the Group achieved a revenue of RMB12,601 million, representing an increase of RMB1,385 million or 12.3% as compared with RMB11,216 million for the corresponding period of 2011. Net profit amounted to RMB2,260 million, representing an increase of 27.3% from RMB1,776 million for the corresponding period of 2011. The net profit margin was 17.9%, representing an increase of 2.1 percentage points from 15.8% for the corresponding period of 2011. Profit attributable to the owners of the Company amounted to RMB1,811 million, representing an increase of RMB919 million or 103.0% as compared with RMB892 million for the corresponding period of 2011. Basic earnings per share for the period was RMB1.09, representing an increase of 101.9% as compared with RMB0.54 per share for the corresponding period of 2011.

Ranking First Again in Residents' Overall Satisfaction

The Group's long term commitment to excellent quality was once again approved by the customers and the market. The China's Urban Resident Satisfaction Survey, published by the China Index Academy and the China Real Estate Index System, was based on information gathered from nearly a hundred enterprises in China, up to 10,000 interviewees, and fieldwork undertaken in 12 major Chinese cities comprising Beijing, Shanghai, Guangzhou, Shenzhen, Chongqing, Tianjin, Hangzhou, Wuhan, Qingdao, Ningbo, Suzhou and Nanjing. Greentown ranked first in "China's Urban Residents' Overall Satisfaction" in the survey, and came first in the 6 sub-indices, namely "Product Quality", "Plan and Design", "Sales Services", "Property Services", "Corporate Image", and "Property-Owner Loyalty".

Introduction of Strategic Investors

On 8 June 2012, the Group announced the entering into of the subscription and investment agreements with The Wharf (Holdings) Limited ("Wharf", stock code: 00004.HK, together with its subsidiaries, the "Wharf Group") and its wholly-owned subsidiaries. The agreements involved the placement of shares in the Company and the issuance of perpetual subordinated convertible callable securities ("PCSC") to the Wharf Group. The aggregate transaction amount is approximately HK$5.1 billion (approximately RMB4.16 billion). Upon completion of the share placement, the Wharf Group holds approximately 520 million Greentown shares, representing 24.6% of the entire issued share capital of the Company, and becomes Greentown's second largest shareholder. The Wharf Group also obtained two seats in the Board and one seat in the newly established Investment Committee.

On 22 June 2012, the Group entered into an agreement with Tianjin Sunac Zhidi Co., Ltd. ("Sunac Zhidi"), a wholly-own subsidiary of Sunac China Holdings Limited ("Sunac", stock code: 01918.HK), for the establishment of a joint venture platform company, in which each party would hold a 50% equity interest. Eight property development projects, namely Shanghai Yulan Garden, Shanghai Bund House, Suzhou Majestic Mansion, Suzhou Rose Garden, Wuxi Yulan Garden, Wuxi Taihu Project, Changzhou Yulan Square and Tianjin Azure Coast will be transferred to the joint venture platform company. Greentown will also transfer its 50% equity interests in Shanghai Rose Garden to Sunac Zhidi. Thus, Greentown will transfer 50% of its equity interests in the above nine projects for a total consideration of approximately RMB3.37 billion in this transaction.

The introduction of strategic investors not only prominently improved the Group's equity structure and balance sheet, it also created synergy by leveraging the strategic investors' superior resources and experience and further enhanced the Company's governance structure and operational ability.

In addition, in the first half of the year, the Group disposed of its equity interest in the Shanghai Haizhimen project and Shanghai Greentown Plaza project, and part of its equity interest in Wuxi Lihu Camphor Garden, Taizhou Lagerstroemia Garden and Taizhou Begonia Garden, for a total consideration of approximately RMB5.11 billion.

First Half Pre-Sale Overview

In the first half of the year, the Group had placed sales at its first priority. The sales model is transformed from the old 'sitting-salesman' showroom sales model, to the new agency model, which features the agents' active involvement in customer development. A new sales model comprising a new set of selling philosophy, organizational structure, training, target management, workflow processes, assessment and incentives, has been put in place and has already provided a strengthening effect in promoting sales of the Company.

The Greentown Group (including Greentown China Holdings Limited and its subsidiaries, together with its jointly controlled entities and associates) recorded sales with a total GFA of 1.17 million sqm for the six months ended 30 June 2012. Total sales amounted to RMB22 billion (including agreement sales of RMB4.2 billion), of which RMB12.9 billion was attributable to the Group. The average selling price of the total sales was RMB18,744 per sqm.

Land Bank

The Group did not make any new acquisitions of land in the first half of the year. Through introducing partners in the development of certain projects and project disposal, the Company had appropriately reduced its total land bank. As at 30 June 2012, the Group had 99 projects in land bank, including projects under construction and available for construction, with total GFA 40.08 million sqm, of which 23.07 million sqm was attributable to the Group. The total saleable area was 26.88 million sqm, of which 15.44 million sqm was attributable to the Group. The land bank had total saleable amount approximately RMB455.6 billion (including RMB80.5 billion sold but not yet recognized), in which approximately RMB259.1 billion was attributable to the Group (including RMB52.7 billion sold but not yet recognized). The Company believes that the current land bank can satisfy the Group's developmental need for the coming five years.

Outlook

"Excellent quality and sound operation" will henceforth become the guiding principle for the development of the Group. "Excellent quality" mainly refers to qualities such as attention to details, exquisiteness of products, and sincerity in service. This is the fundamental quality of the Group and we must continue to uphold and promote it. At the same time, the Group will adopt a prudent financial strategy, improve our financial risk management, and pursue an "asset light" model of development, focusing primarily on the export of our brand and management expertise, in order to ensure the sustainable development of Greentown.

Continually Improving the Quality of Products and Services

The Group will learn from the advanced countries, and continue to improve its construction techniques and processes. Through meticulous project management, and enhancement of quality control, we will continue to improve the quality of the Company's works. At the same time, the Group will continue to promote the 'estate community life services system' by improving the width and depth of our services and the residential and living quality of the residents, in order to maintain our market leading position in terms of residents' satisfaction.

Product Diversification

The Group will continue to invest a large portion of its time and effort in research and development in order to further enrich our product lines to serve different segment of customers. Going forward, we will pay more attention to market demand and geographical characteristics. Under the premise of maintaining excellent quality, we will further optimize our designs and diversify our product mix to suit the mainstream market, in order to enhance the competitiveness of our products, so that our products can satisfy a broader range of customers. At the same time, the Group will actively enter into 'themed estate' market, including the building of second and third tier cities' urban complexes, housing estate for retired people, and tourist-oriented estates, to further broaden our space for development.

Cost Controls

Land cost and construction cost directly determine the profitability of a development project. The Group plans to exert stringent controls over these two main areas. Regarding acquisition of land, we will optimize the use of the professional opinion and forward-looking judgment of the newly established Investment Committee in the assessment of the risks and returns associated with new projects, and arrive at appropriate acquisition decisions. Regarding construction cost, the Group has established an e-commerce procurement centre to centralize the procurement of building materials, which will effectively lower the relevant costs. At the same time, the Company will standardize construction and decoration cost for products under different price ranges in the new 'Greentown Product Catalogue'. Besides, our financing cost is expected to reduce as a result of the gradual improvement of our net gearing ratio and the anticipated further interest rate cuts.

Optimizing the Debt Structure

Aside from exerting great effort in stabilizing our net gearing ratio to a relatively lower level, another current focus of the Group is to optimize its debt structure. We seek to reduce the level of short-term borrowings so as to balance the debt maturity profile. Also, we will carefully examine available means of financing, and adjust the debt portfolio to lower the average cost of borrowing. At the same time, the Group will continue to explore opportunities to dispose of projects or part of the projects which have a relatively longer payback cycle in order to improve the cash flow condition and optimize the structure of the Group's land bank.

Second Half Project Commencement and Completion

In the second half of 2012, the Group expects to commence construction of projects with GFA totaling 3.01 million sqm. It is expected that 35 projects, or project phases, will be completed in the second half of 2012, with a total GFA of 2.85 million sqm, of which 1.97 million sqm is saleable area, and 1.42 million sqm of such saleable area is attributable to the Group.

Projects scheduled for completion in the second half of 2012

	Project	Phase	Equity Interest	Total GFA *(sqm)*	Saleable Area *(sqm)*
Subsidiaries	Hefei Rose Garden	Phase 1 (partial)	100.0%	30,348	11,555
	Nanjing Rose Garden	Phase 4 (partial)	70.0%	26,032	10,758
	Nantong Yulan Apartment	Phase 3	77.0%	81,402	64,182
	Xinjiang Lily Apartment	Phase 2 (partial)	50.0%	52,980	31,028
	Qingdao Jiaozhou Lagerstroemia Square	Phase 1	100.0%	185,693	145,743
	Qingdao Ideal City	Phase 2 (partial)	80.0%	138,416	74,952
	Ningbo Crown Garden	Phase 3	60.0%	41,169	26,669
	Thousand-Island Lake Rose Garden	Phase 2	51.0%	29,757	25,036
	Hangzhou Sincere Garden Zhijingyuan	Phase 1	100.0%	142,175	94,085
	Hangzhou Lijiang Apartment	Phase 2 (partial)	100.0%	144,757	111,917
	Hangzhou Blue Patio	Phase 4 (partial)	85.0%	39,155	24,212
	Dalian Deep Blue Centre	Phase 1	80.0%	117,565	93,729
	Beijing Sincere Garden	Phase 3	50.0%	26,000	24,972
	Tangshan South Lake Project	Phase 1	100.0%	71,088	51,782
	Changzhidao Project	Phase 2 (partial)	96.9%	115,529	72,876
		Practice complex building	96.9%	7,550	–

	Project	Phase	Equity Interest	Total GFA (sqm)	Saleable Area (sqm)
	Lin'an Qianwang Culture Square	Phase 1	65.0%	73,254	52,778
	Taizhou Rose Garden	Phase 1 (partial)	55.2%	47,528	30,816
		Phase 2 (partial)	55.2%	82,153	54,136
	Zhuji Greentown Plaza	Phase 2 (partial)	60.0%	218,140	162,518
	Hangzhou Sapphire Mansion	Phase 3 (partial)	100.0%	175,373	121,935
	Shanghai Rose Garden	Phase 5	100.0%	11,585	7,471
	Shanghai Yulan Garden	Phase 1	100.0%	57,659	42,567
	Hangzhou Taohuayuan	Phase 7 (partial)	64.0%	13,942	8,094
	Hainan Clear Water Bay	Phase 1 (partial)	51.0%	93,332	64,685
	Wuxi Yulan Garden	Phase 2	85.0%	199,709	148,691
Subtotal				2,222,291	1,557,187
Jointly controlled entities/ Associates	Jinan National Games Project	Phase 6 (partial)	45.0%	15,120	13,690
	Shaoxing Jade Garden	Phase 4	51.0%	13,352	8,762
	Hangzhou Aesthetic Garden	Entire Project	9.0%	73,906	50,286
	Cixi Rose Garden	Phase 2	49.0%	134,231	80,640
	Taizhou Yulan Plaza Qionghuayuan	Entire Project	40.0%	121,517	68,797
	Hangzhou Hope Town	Chunxiaoyuan	45.0%	31,958	16,896
	Greentown Bund No.8	Phase 1	40.0%	23,821	20,831
	Wuxi Lihu Camphor Garden	Phase 1 (partial)	49.0%	27,329	22,037
	Greentown Xizi Orchid Mansion	Phase 1	8.0%	72,861	51,876
	Qingshan Lake Rose Garden	Phase 2 (partial)	50.0%	41,434	36,664
	Hangzhou Xingqiao Purple Osmanthus Apartment	Phase 3	35.0%	67,346	45,950
Subtotal				622,875	416,429
Total				2,845,166	1,973,616

As at 30 June 2012, the sales revenue of the Greentown Group which has not yet been recognized in the income statement amounted to RMB80.5 billion, of which RMB52.7 billion was attributable to the Group. The Company currently expects that, barring unforeseeable circumstances, the majority of such revenue will be gradually recognized in the next two years, including RMB30.2 billion to be recognized by Greentown Group in the second half of 2012, of which RMB21.4 billion will be attributable to the Group. As such, the Company is optimistic about its prospect.

FINANCIAL ANALYSIS

Revenue

The Group derives its revenue mainly from the sales of property, as well as from hotel operations, property rental income, project management, sales of construction materials, design and decoration.

During the Reporting Period, the revenue recognized from property sales was RMB12,011 million, which accounted for 95.3% of the total revenue and represented an increase of 11.3% from RMB10,793 million for the corresponding period of 2011. Such increase was mainly attributable to the increase in areas sold. The areas of properties carried forward by the Group increased by 37.7% from 539,595 sqm for the corresponding period of 2011 to 743,239 sqm for the Reporting Period. The average selling price of properties delivered during the Reporting Period was RMB16,160 per sqm, representing a decrease of 19.2% from RMB20,002 per sqm for the corresponding period of 2011. The decrease was mainly due to the fact that the average selling price of Wenzhou Lucheng Plaza, which accounted for 43.5% of the Group's total property sales revenue in the corresponding period of 2011, was RMB40,603 per sqm and pushed up the average selling price in 2011 to a certain extent.

The properties delivered during the first half of 2012 are as follows:

Project	Property Type	Area Sold *(sqm)*	Sales Revenue *(RMB million)*	Sales Proportion	Average Selling Price *(RMB/sqm)*
Shanghai Bund House	High-rise apartment	37,627	2,220	18.5%	59,000
Zhoushan Yulan Garden	High-rise apartment	159,544	2,081	17.3%	13,043
Ningbo Crown Garden	High-rise apartment	138,369	2,035	16.9%	14,707
Hangzhou Sapphire Mansion	High-rise apartment	41,262	1,091	9.1%	26,441
Zhoushan Lily Apartment	Serviced apartment	69,020	828	6.9%	11,997
Zhuji Greentown Plaza	High-rise apartment	50,856	501	4.2%	9,851
Changxing Plaza	High-rise apartment	47,721	476	4.0%	9,975
Hangzhou Taohuayuan South	Villa	11,354	453	3.8%	39,898
Thousand-Island Lake Resort Condo	High-rise apartment	27,928	450	3.7%	16,113
Shanghai Rose Garden	Villa	9,439	355	3.0%	37,610
Others		150,119	1,521	12.6%	10,132
Total		743,239	12,011	100.0%	16,160

Note: The aforesaid sold areas include aboveground and underground areas.

During the Reporting Period, Zhoushan area realized sales revenue of RMB3,425 million and accounted for 28.5% of the Group's total sales revenue. Shanghai area realized sales revenue of RMB2,589 million and accounted for 21.6% of the Group's total sales revenue. Hangzhou area and Ningbo area realized sales revenue of RMB2,096 million and RMB2,048 million, respectively, accounting for 17.5% and 17.1% of the Group's total sales revenue.

During the Reporting Period, the Group recorded the revenue from sales of apartments, villas and offices were RMB10,676 million, RMB1,323 million and RMB12 million, respectively, accounting for 88.9%, 11.0% and 0.1% of the total sales revenue, respectively.

During the Reporting Period, the Group recorded revenue of RMB228 million from design and decoration, surged by 119.2% from RMB104 million for the corresponding period of 2011. The revenue from design and decoration is expected to increase as the scale of design and decoration operation expands.

During the Reporting Period, the Group recorded revenue of RMB124 million from hotel operations, increased by 6.9% from RMB116 million for the corresponding period of 2011. Operations at Greentown Thousand-Island Lake Sheraton Resort Hotel, Hangzhou Rose Garden Resort and Sheraton Zhoushan Hotel have accumulated a solid customer base and built up a well-developed market presence. Revenue from hotel operations are expected to continue to grow.

During the Reporting Period, the Group recorded property rental income totaling RMB57 million from investment properties, increased by 42.5% as compared to RMB40 million for the corresponding period of 2011. The increase was mainly attributable to the contribution from the rental income of Oakwood Residence Beijing as occupancy rose.

During the Reporting Period, revenue of the Group from project management amounted to RMB86 million, representing a decrease from RMB137 million for the corresponding period of 2011. This was mainly attributable to the delay of certain construction works as a result of the impact of macro-economic tightening policies on the PRC real estate market.

Gross Profit Margin from Property Sales

During the Reporting Period, the Group recorded a gross profit from property sales of RMB3,182 million and a gross profit margin of 26.5%, representing a decrease from 32.6% for the corresponding period of 2011. Among the properties sold during the Reporting Period in terms of property type, villa accounted for 11.0% of the total property sales revenue, representing a certain degree of decrease as compared to 15.2% for the corresponding period of last year. Such decrease has affected the gross profit margin for the Reporting Period to a certain extent. In terms of areas in which properties were delivered, Zhoushan, Shanghai and Hangzhou accounted for 28.5%, 21.6% and 17.5%, respectively, for the Reporting Period and was ranked the top three, as compared to 43.5%, 22.7% and 13.1%, of the top three for the corresponding period of last year, namely Wenzhou, Hangzhou and Beijing. Wenzhou is an economically prosperous city located in Zhejiang Province and the project delivered, being Wenzhou Lucheng Plaza, is a premium high-rise apartment project with a realized gross profit margin of 38.8%. Among the properties handed over for the Reporting Period, Shanghai Bund House and Ningbo Crown Garden came first and third in recorded sales revenue with a gross profit margin of 35.6% and 40.5%, respectively. However, Zhoushan area, which accounted for 28.5% of the total sales revenue, only achieved a gross profit margin of 18.2%. In particular, the gross profit margin for Zhoushan Lily Apartment is relatively low. Zhoushan Lily Apartment is a decorated serviced apartment project, which involved higher costs than roughcast. However, the average selling price has not increased in proportionate to the associated costs, which affected the gross profit margin to a certain extent. In addition, the Northern area of Hangzhou Sapphire Mansion delivered, which accounted for 9.1% of the total property sales revenue for the Reporting Period, commenced pre-sale in May 2009. The relatively low gross profit margin was the result of the macro-economic tightening policies, which resulted in under-pricing. As the Southern area is due to be handed over in the second half of 2012, the gross profit margin is expected to improve.

Other Income

Other income mainly included interest income, trust income, net foreign exchange gains and government grants. Other income of RMB506 million was recorded by the Group during the Reporting Period, representing an increase of 21.3% from RMB417 million for the corresponding period of 2011.

Interest income of the Group for the Reporting Period was RMB324 million, representing an increase of RMB56 million from RMB268 million for the corresponding period of 2011, which was mainly due to an increase of interest income from jointly controlled entities and associates.

Trust income of the Group for the Reporting Period was RMB131 million, being the revenue from the subordinated trust units of the Zhonghai Greentown No.1 Real Estate Investment Fund (the "Zhonghai Trust") acquired in 2009. The Group entered into a trust agreement with Zhonghai Trust Co., Ltd. in 2009, pursuant to which 60% of subordinated trust units were acquired. The Zhonghai Trust expired in January 2012, and the revenue received from subordinated trust units for the Reporting Period amounted to RMB131 million. In addition, a gain of RMB83 million was generated from the reversal of the trust unit put option, guarantee and RMB1 option as financial derivatives relating to the above agreement, which was recorded in fair value changes on trust-related financial derivatives.

No net foreign exchange gains was recorded for the Reporting Period, as compared to net foreign exchange gains of RMB122 million for the corresponding period of 2011, which was mainly attributable to the insignificant volatility and the slight depreciation of foreign currencies during the Reporting Period, contrary to a stronger Renminbi appreciation and a greater amount of borrowings denominated in foreign currencies for the corresponding period in 2011.

Selling and Administrative Expenses

Selling and administrative expenses amounted to an aggregate of RMB845 million in total for the Reporting Period, representing a decrease of 11.3% as compared to RMB953 million for the corresponding period of 2011.

The largest spending in selling and administrative expenses was human resources cost, which recorded a slight decrease to RMB353 million for the Reporting Period, as compared to RMB372 million for the corresponding period of 2011. The sales and marketing expenses and the advertising expenses for the Reporting Period amounted to RMB126 million (for the corresponding period of 2011: RMB140 million), accounting for 1.0% (for the corresponding period of 2011: 1.0%) of the property pre-sales of the Group and remained at the same level. The daily operating expenses for the Reporting Period amounted to RMB257 million (for the corresponding period of 2011: RMB269 million), representing a year-on-year decrease of 4.5%. Such decrease was mainly due to the Group's reduction in expenses such as office expenses, business meetings, rental charges and entertainment expenses as a result of adjustment to the mode of business development and improved cost control.

Finance Costs

The interest expenses of the Group for the Reporting Period charged to the income statement was RMB272 million (for the corresponding period of 2011: RMB229 million). The total interest expenses for the Reporting Period was RMB2,143 million, representing an increase of 38.1% as compared to RMB1,552 million for the corresponding period of 2011. Such increase was mainly caused by the increase in the average interest rate for financing. The interest capitalized for the Reporting Period was RMB1,871 million and the capitalization rate was 87.3%, which was at a similar level compared with 85.2% for the corresponding period of 2011.

Share of Results of Jointly Controlled Entities and Associates

The Group's share of results of jointly controlled entities and associates for the Reporting Period was RMB258 million, representing a significant increase of RMB242 million or 15.1 times from RMB16 million for the corresponding period of 2011, which was mainly due to the increase in the number of properties delivered for the Reporting Period. The revenue from property sales carried forward by jointly controlled entities and associates for the Reporting Period amounted to RMB2,477 million, representing a significant increase of 163.5% from RMB940 million for the corresponding period of 2011. Such increase was principally due to an increase in the areas of properties carried forward from 70,731 sqm for the corresponding period of 2011 to 249,096 sqm for the Reporting Period. Gross profit margin for property sales increased from 26.5% for the corresponding period of 2011 to 39.6%. The major property handed over during the Reporting Period was Haining Lily New Town, comprising high-rise apartments and flat mansions, with 139,774 sqm and income of RMB1,564 million carried forward and the gross profit margin was 47.7%, driving the gross profit margin for the Reporting Period significantly upward.

The properties delivered during the first half of 2012 are as follows:

Project	**Property Type**	**Area Sold** *(sqm)*	**Sales Revenue** *(RMB million)*	**Sales Proportion**	**Average Selling Price** *(RMB/sqm)*
Haining Lily New Town	High-rise apartment, flat mansion	139,774	1,564	63.1%	11,189
Nantong Rudong Hupanju	Low-rise apartment, High-rise apartment	78,722	370	14.9%	4,700
Shaoxing Jade Garden	Villa	7,421	166	6.7%	22,369
Hangzhou Hope Town	Low-rise apartment	8,377	160	6.5%	19,100
Others		14,802	217	8.8%	14,660
Total		249,096	2,477	100.0%	9,944

Note: The aforesaid areas sold include aboveground and underground areas.

Taxation Charges

Taxation for the Reporting Period included LAT of RMB731 million (for the corresponding period of 2011: RMB498 million), and EIT of RMB689 million (for the corresponding period of 2011: RMB768 million). The effective EIT rate for the Reporting Period was 26.1%, which was higher than the statutory tax rate of 25.0%. This was mainly attributable to the unrecognized deferred tax assets of the loss of certain subsidiaries which have not yet commenced pre-sale and certain overseas subsidiaries, and certain non-deductible expenses.

Pre-sale Deposits

Pre-sale deposits represent the amounts received from the pre-sale of properties. The amounts will be recognized as sales revenue upon delivery of properties. As at 30 June 2012, the balance of pre-sale deposits of the Group was RMB39,901 million, representing a decrease of RMB5,858 million from RMB45,759 million as at 31 December 2011, mainly due to the large amount of property delivered during the Reporting Period, and the pre-sale deposits for properties held for sale of RMB1,775 million were being transferred to liabilities associated with assets classified as held for sale for presentation (please refer to "Formation of a Joint Venture Platform Company with Sunac" below for details). The balance of pre-sale deposits of jointly controlled entities and associates was RMB25,199 million, representing an increase of RMB3,179 million or 14.4% from RMB22,020 million as at 31 December 2011.

Investment by Wharf

On 8 June 2012, the Group entered into the subscription and investment agreements with the Wharf Group, pursuant to which Target Smart Investments Limited, a wholly-owned subsidiary of Wharf, subscribed for 327,849,579 shares and 162,113,714 shares issued by the Company in two tranches at the subscription price of HK$5.2 per share, and Enzio Investments Limited, a wholly-owned subsidiary of Wharf, subscribed for the PSCS in the principal amount of HK$2,550 million issued by a wholly-owned subsidiary of the Company, namely Active Way Development Limited. As at 30 June 2012, the Company received the subscription monies of HK$1,705 million (approximately RMB1,386 million) for 327,849,579 shares issued under the first tranche. On 2 August 2012, the Company received the subscription monies for 162,113,714 shares issued under the second tranche, as well as subscription monies for the PSCS totaling HK$3,393 million (approximately RMB2,774 million).

Formation of a Joint Venture Platform Company with Sunac

On 22 June 2012, the Group entered into a cooperative framework agreement with Sunac Zhidi to form a joint venture platform company in the name of Shanghai Sunac Greentown Real Estate Development Co., Ltd., owned by each of the Group and Sunac Zhidi as to 50%. The Group shall dispose of the equity interests in the seven subsidiaries and one associate described below to the joint venture platform company. The joint venture platform company is a subsidiary of Sunac as Greentown does not have control over the board of directors of the joint venture platform company.

Contribution to the joint venture platform company	Equity interest transferred	Project Name
上海華浙外灘置業有限公司 Shanghai Huazhe Bund Real Estate Co., Ltd.*	51.0%	Shanghai Bund House
上海綠順房地產開發有限公司 Shanghai Lvshun Real Estate Development Co., Ltd.*	100.0%	Shanghai Yulan Garden
蘇州綠城御園房地產開發有限公司 Suzhou Greentown Yuyuan Real Estate Development Co., Ltd.*	90.5%	Suzhou Majestic Mansion
蘇州綠城玫瑰園房地產開發有限公司 Suzhou Greentown Rose Garden Real Estate Development Co., Ltd.*	66.67%	Suzhou Rose Garden
無錫綠城房地產開發有限公司 Wuxi Greentown Real Estate Development Co., Ltd.*	85.0%	Wuxi Yulan Garden
無錫太湖綠城置業有限公司 Wuxi Taihu Greentown Real Estate Co., Ltd.*	39.0%	Wuxi Taihu Project
常州綠城置業有限公司 Changzhou Greentown Real Estate Co., Ltd.*	37.0%	Changzhou Yulan Square
天津逸駿投資有限公司 Tianjin Yijun Investment Co., Ltd.*	80.0%	Tianjin Azure Coast

At the same time, the Group disposed of its 50% equity interests in a wholly-owned subsidiary, namely Shanghai Greentown Woods Golf Villas Development Co., Ltd. ("Greentown Woods"), to Sunac Zhidi. Upon the disposal, Greentown Woods remains and will continue to remain as a subsidiary of the Company because its board of directors remains under the control of the Company.

It is expected that the transfer of equity interests and the recovery of relevant shareholders' loans from the above nine projects will contribute approximately RMB3,372 million cash inflow to the Group. The relevant assets and liabilities disposed of to the joint venture platform company have been transferred to assets classified as held for sale and liabilities associated with assets classified as held for sale, respectively, for presentation purpose.

Projects Disposal

On 29 December 2011, the Group entered into an equity transfer agreement in respect of the disposal of a wholly-owned subsidiary, namely Hangzhou Greentown Hesheng Investment Company ("Greentown Hesheng") to a wholly-owned subsidiary of SOHO China Limited ("SOHO China", stock code 00410.HK), pursuant to which the Group agreed to dispose of 100% equity interest and shareholders' loans in Greentown Hesheng at a consideration of RMB1,040 million. Greentown Hesheng holds 10% equity interest in the Shanghai Haizhimen project. The transaction has been completed during the Reporting Period.

On 5 January 2012, the Group entered into an equity transfer agreement in respect of the disposal of a wholly-owned subsidiary, namely Wuxi Greentown Hubin Real Estate Co., Ltd. ("Wuxi Hubin") to Sunac Zhidi, pursuant to which the Group agreed to dispose of 51% equity interest in Wuxi Hubin at a consideration of RMB51 million. Wuxi Hubin develops the Wuxi Lihu Camphor Garden project. The transaction was completed in January 2012.

On 17 April 2012, the Group and MaAnShan Hualong Real Estate Development Co., Ltd. entered into an equity transfer agreement with SOHO China and its subsidiary in respect of the disposal of Shanghai Greentown Plaza Development Co., Ltd. ("Shanghai Greentown Plaza") to a subsidiary of SOHO China, pursuant to which the Group and MaAnShan Hualong Real Estate Development Co., Ltd. agreed to dispose of their 70% and 30% equity interests and shareholders' loans in Shanghai Greentown Plaza, respectively, at an aggregate consideration of RMB2,138 million. Shanghai Tianshan Road Project is developed by Shanghai Greentown Plaza. The transaction was completed in June 2012.

Furthermore, the Group has disposed of a portion of its equity interests in Taizhou Greentown Real Estate Co., Ltd. and Taizhou Greentown Nengyuan Real Estate Co., Ltd., both of which are associates of the Group, to a non-affiliated party during the Reporting Period.

The transfer of equity interests and recovery of shareholders' loans from the above five projects contributed an aggregate cash inflow of approximately RMB5,111 million to the Group, of which RMB900 million had been received in 2011, while RMB2,891 million had been received during the Reporting Period. As at 30 June 2012, receivables amounted to RMB1,320 million.

Financial Resources and Liquidity Ratio

As at 30 June 2012, the Group had cash and bank balances (including pledged bank deposits) of RMB7,282 million (as at 31 December 2011: RMB5,884 million), and total borrowings amounted to RMB27,078 million (as at 31 December 2011: RMB32,112 million). Net gearing ratio (measured by net borrowings over net assets) was 93.5%, representing a substantial decrease compared to 148.7% as at 31 December 2011, which was mainly because the Company has implemented a stringent fund management system by working towards an "asset-light" development model, upgrading of services and diversifying product mix. At the same time, the Group implemented effective measures and introduced the Wharf Group as a strategic shareholder to facilitate the steady operation of the Group. In the second half of the year, net gearing ratio is expected to have larger room for reduction with the second tranche of capital injection from the Wharf Group, the subscription for the PSCS and the injection of transfer monies by Sunac Zhidi.

Risks of Foreign Exchange Fluctuation

The principal place of operation of the Group is the People's Republic of China, and a majority of the income and expenditure are denominated in Renminbi. As the Group has deposits, borrowings, amounts due from third parties and amounts due to third parties denominated in foreign currencies, and the senior notes issued in 2006 were denominated in US dollars, the Group was exposed to exchange rate risk. However, the Group's operating cash flow or liquidity was not significantly affected by any fluctuations in exchange rates. The Group did not enter into any foreign currency hedging arrangements as at 30 June 2012.

Financial Guarantees

Certain banks provide mortgage facilities to the buyers of the Group's properties, which are guaranteed by the Group. As at 30 June 2012, such financial guarantees amounted to RMB17,389 million (as at 31 December 2011: RMB18,886 million).

Pledge of Assets

As at 30 June 2012, the Group pledged buildings, hotels, prepaid lease payment, investment properties, properties for development, properties under development, completed properties for sale, assets classified as held for sale, pledged bank deposits, interests in jointly controlled entities, and interests in associates, with an aggregate carrying value of RMB35,417 million (as at 31 December 2011: RMB35,773 million) to secure general credit facilities granted by banks and other financial institutions to the Group.

Capital Commitments

As at 30 June 2012, the Group had contracted, but not provided for, total capital expenditure of RMB19,534 million (as at 31 December 2011: RMB19,327 million) in respect of properties for development, properties under development, assets classified as held for sale, and construction in progress.

PURCHASE, SALE OR REDEMPTION OF THE LISTED SECURITIES OF THE COMPANY

Neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the Company's listed securities during the Reporting Period.

HUMAN RESOURCES

As at 30 June 2012, the Group employed a total of 4,483 employees (as at 31 December 2011: 4,383). Employees were remunerated on the basis of their performance, experience and prevailing industry practices. The Group's remuneration policies and packages were reviewed by the remuneration committee and the Board on a regular basis. As an incentive for employees, bonuses, cash awards and share options may also be given to employees based on individual performance evaluation.

CODE ON CORPORATE GOVERNANCE PRACTICES

In the opinion of the Board, the Company had complied with the requirements of all the applicable code provisions set out in the Code on Corporate Governance Practices (effective until 31 March 2012) and Corporate Governance Code and Corporate Governance Report (effective from 1 April 2012) under Appendix 14 to the Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited (the "Listing Rules") throughout the Reporting Period.

COMPLIANCE WITH THE MODEL CODE OF THE LISTING RULES

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers set out in Appendix 10 to the Listing Rules (the "Model Code") as the Company's code for dealing in securities of the Company by the Directors. After specific enquiry, all Directors confirmed that they have complied with the Model Code throughout the six months ended 30 June 2012. Relevant employees who are likely to be in possession of unpublished price-sensitive information of the Group are also subject to compliance with written guidelines on same terms as the Model Code.

AUDIT COMMITTEE

The Audit Committee held one meeting during the Reporting Period, and all committee members attended the meeting. The Audit Committee has reviewed the accounting policies and critical accounting estimates and assumptions adopted by the Group. The audit objectives and the scope of the internal audit department of the Group were also discussed.

REVIEW OF INTERIM RESULTS

The Interim Results Announcement and the Interim Report for the six months ended 30 June 2012 have been reviewed by the Audit Committee and approved by the Board.

The auditor of the Company, Deloitte Touche Tohmatsu ("DTT"), has performed a review in accordance with Hong Kong Standard on Review Engagements 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" on the interim financial information of the Group for the six months ended 30 June 2012 prepared in accordance with International Accounting Standard 34 "Interim Financial Reporting", and a review report dated 24 August 2012 was issued by DTT.

INVESTMENT COMMITTEE

Pursuant to the subscription agreement entered into with the Wharf Group on 8 June 2012, the Company has established an Investment Committee and appointed three members, namely Mr Song Weiping, Mr Shou Bainian and Mr Ng Tin Hoi, Stephen (representative of Wharf), for the purpose of providing guidance and supervision to the Group with respect to investment matters. Any acquisition of land or investment in any property development project to be carried out by the Group shall be submitted to the Investment Committee for consideration. For so long as the net gearing ratio of the Company is 100% or above, a written consent is required to be obtained from the representative of Wharf.

INTERIM DIVIDEND

The Board has resolved not to declare any interim dividend for the six months ended 30 June 2012 (for the six months ended 30 June 2011: RMB0.10 per ordinary share).

PUBLICATION OF INTERIM REPORT

The full text of the Company's 2012 Interim Report will be sent to the shareholders of the Company and posted on the websites of the Stock Exchange of Hong Kong Limited (www.hkexnews.hk) and the Company (www.chinagreentown.com) respectively in due course.

FORWARD LOOKING STATEMENTS

This announcement includes forward-looking statements. These forward-looking statements can be identified by the use of forward-looking terminology, including the terms "believe", "estimate", "anticipate", "expect", "intend", "may", "will" or "should" (or of similar nature) or, in each case, their negative, or other variations or similar terminology. These forward-looking statements include all matters that are not historical facts. They appear in a number of places throughout this announcement and include statements regarding our current intentions, beliefs or current expectations concerning, among other things, our results of operations, financial condition, liquidity, prospects and growth strategies, and the industry in which Greentown Group operates.

By their nature, forward-looking statements involve risks and uncertainties because they relate to events and depend on circumstances that may or may not occur in the future. We caution you that forward-looking statements are not guarantees of future performance and that our actual results of operations, financial condition and liquidity, and the development of the industry in which Greentown Group operates may differ materially from those made in, or suggested by, the forward-looking statements contained in this announcement. In addition, even if our results of operations, financial condition and liquidity, and the development of the industry in which Greentown Group operates are consistent with the forward-looking statements contained in this announcement, those results or developments may not be indicative of results or developments in subsequent periods.

APPRECIATION

The Board would like to take this opportunity to express gratitude to our shareholders, customers, suppliers, banks, professional parties and employees for their continuous patronage and support.

By Order of the Board
Greentown China Holdings Limited
Song Weiping
Chairman

Hangzhou, the PRC
24 August 2012

As at the date of this announcement, the Board comprises five executive Directors, namely Mr Song Weiping, Mr Shou Bainian, Mr Luo Zhaoming, Mr Guo Jiafeng and Mr Cao Zhounan, two non-executive Directors, namely, Mr Ng, Tin Hoi Stephen and Mr Tsui, Yiu Cheung and six independent non-executive Directors, namely Mr Jia Shenghua, Mr Jiang Wei, Mr Ke Huanzhang, Mr Sze Tsai Ping, Michael, Mr Tang Shiding and Mr Hui Wan Fai.