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GREENTOWN CHINA HOLDINGS LIMITED

綠城中國控股有限公司*

(Incorporated in the Cayman Islands with limited liability)

(Stock code: 3900)

DISCLOSEABLE TRANSACTION

On 31 March 2010, Hangzhou Greentown Investment and Greentown Real Estate entered into the Transfer Agreement with Jinan Haixin and Qingdao Haixin whereby Hangzhou Greentown Investment has agreed to acquire a 100% equity interest in the Target Company from Jinan Haixin for an aggregate consideration of RMB1,240,330,000 (approximately HK\$1,413,976,200).

The Target Company is principally engaged in property development in Jinan City, Shandong Province, the PRC, and owns the land use rights of the Jinan Land with a total site area of approximately 256,003 square metres.

The Consideration was determined after arm's length negotiation between the parties with reference to the estimated market value of the Jinan Land and the total amount of all payables of RMB650,000,000 (approximately HK\$741,000,000) owed by the Target Company to other parties (including Jinan Haixin and Qingdao Haixin) as at 28 February 2010.

The Directors (including the independent non-executive Directors) are of the opinion that the Transfer Agreement (including the Acquisition) are on normal commercial terms after arm's length negotiation between the parties, fair and reasonable and in the interests of the Company and its Shareholders as a whole.

As the highest of all percentage ratios in respect of the Acquisition is above 5% but below 25%, the Acquisition constitutes a discloseable transaction for the Company under the Listing Rules and is therefore subject to the announcement requirement under Chapter 14 of the Listing Rules.

THE TRANSFER AGREEMENT

The Board announces that Hangzhou Greentown Investment, Greentown Real Estate, Jinan Haixin and Qingdao Haixin entered into the Transfer Agreement on 31 March 2010 for the acquisition of a 100% equity interest in the Target Company.

Date

31 March 2010

Parties

- (1) Hangzhou Greentown Investment, as buyer
- (2) Greentown Real Estate, as guarantor
- (3) Jinan Haixin, as seller
- (4) Qingdao Haixin, as guarantor

To the best of the Directors' knowledge, information and belief having made all reasonable enquiries, Jinan Haixin, Qingdao Haixin and their respective ultimate beneficial owners are third parties independent of and not connected persons of the Company.

Assets to be acquired

Pursuant to the Transfer Agreement, Hangzhou Greentown Investment agreed to buy, and Jinan Haixin agreed to sell, a 100% equity interest in the Target Company. Upon completion of the Acquisition, Hangzhou Greentown Investment will wholly own the Target Company, which, in turn, owns the Jinan Land.

Consideration

The consideration (the "**Consideration**") for the Acquisition comprises the Transfer Price and the Payables, which in aggregate amounts to RMB1,240,330,000 (approximately HK\$1,413,976,200). The Consideration was determined after arm's length negotiation between the parties with reference to the estimated market value of the Jinan Land and the total amount of all payables of RMB650,000,000 (approximately HK\$741,000,000) owed by the Target Company to other parties (including Jinan Haixin and Qingdao Haixin) as at 28 February 2010.

The Consideration shall be paid as follows:

- (1) upon signing of the Transfer Agreement, Hangzhou Greentown Investment shall pay a deposit of RMB20,000,000 (approximately HK\$22,800,000) to Jinan Haixin for the transfer of a 51% equity interest in the Target Company whereby Hangzhou Greentown Investment has agreed to complete the registration of change in shareholding of the Target Company with the relevant government authority within three (3) working days;

- (2) within three (3) working days after completion of the registration of change in shareholding of 51% in the Target Company as mentioned in (1) above, Hangzhou Greentown Investment shall pay RMB281,070,000 (approximately HK\$320,419,800) to Jinan Haixin as part of the Transfer Price and RMB331,500,000 (approximately HK\$377,910,000) to the Target Company as a shareholder's loan for the purpose of settlement of part of the Payables by the Target Company;
- (3) within six (6) months after completion of the registration of change in shareholding of 51% in the Target Company as mentioned in (1) above, Hangzhou Greentown Investment shall pay RMB144,630,000 (approximately HK\$164,878,200) to Jinan Haixin as part of the Transfer Price and RMB159,250,000 (approximately HK\$181,545,000) to the Target Company as a shareholder's loan for the purpose of settlement of part of the Payables by the Target Company, and Jinan Haixin shall within three (3) days of the said two payments by Hangzhou Greentown Investment transfer a further 24.5% equity interest in the Target Company to Hangzhou Greentown Investment; and
- (4) within nine (9) months after completion of the registration of change in shareholding of 51% in the Target Company as mentioned in (1) above, Hangzhou Greentown Investment shall pay the balance of the Transfer Price of RMB144,630,000 (approximately HK\$164,878,200) to Jinan Haixin and RMB159,250,000 (approximately HK\$181,545,000) to the Target Company as a shareholder's loan for the purpose of settlement of the balance of the Payables by the Target Company, and Jinan Haixin shall within three (3) days of the said two payments by Hangzhou Greentown Investment transfer the remaining 24.5% equity interest in the Target Company to Hangzhou Greentown Investment.

The deposit of RMB20,000,000 (approximately HK\$22,800,000) has already been paid to Jinan Haixin. The shareholder's loan to be provided by Hangzhou Greentown Investment to the Target Company for the purpose of settlement of the Payables by the Target Company shall be interest-bearing. The Consideration shall be funded by the internal resources of the Group.

The Directors (including the independent non-executive Directors) are of the opinion that the Consideration is fair and reasonable and was determined after arm's length negotiation between the parties.

Completion

The completion of the Acquisition shall be the next day following the payment of the last installment of the Consideration by Hangzhou Greentown Investment.

Guarantee

Each of Greentown Real Estate and Qingdao Haixin has agreed to guarantee the respective performance obligations and undertakings of Hangzhou Greentown Investment and Jinan Haixin under the Transfer Agreement.

INFORMATION ABOUT THE GROUP, HANGZHOU GREENTOWN INVESTMENT, JINAN HAIXIN AND QINGDAO HAIXIN

The Group is one of the leading residential property developers in the PRC and is principally engaged in developing quality residential properties targeting at middle to higher income residents in the PRC.

Hangzhou Greentown Investment is principally engaged in investment holding.

Jinan Haixin is principally engaged in real estate development in Jinan City, Shandong Province, the PRC.

Qingdao Haixin is principally engaged in real estate development in Shandong Province, the PRC.

INFORMATION ON THE TARGET COMPANY AND THE JINAN LAND

The Target Company is a limited liability company incorporated in the PRC on 29 January 2008 and is wholly-owned by Jinan Haixin. The registered capital of the Target Company is RMB10,000,000 (approximately HK\$11,400,000). The Target Company is principally engaged in property development in Jinan City, Shandong Province, the PRC.

The Target Company owns the land use rights of the Jinan Land located at Lixia District, Jinan City, Shandong Province, the PRC with a total site area of approximately 256,003 square metres and a total above-ground gross floor area of not exceeding approximately 487,000 square metres. The Jinan Land is intended to be used for development of residential property with certain commercial space. Construction has not yet been commenced on the Jinan Land.

Save as disclosed in this announcement, the Target Company does not own any material fixed assets.

FINANCIAL INFORMATION ON THE TARGET COMPANY

The following table sets out certain financial information of the Target Company prepared in accordance with the PRC Generally Accepted Accounting Principles:

	As at 31 December 2008 (audited)		As at 31 December 2009 (unaudited)	
	<i>RMB</i>	<i>HK\$</i>	<i>RMB</i>	<i>HK\$</i>
Total assets/(liabilities)	592,630,074	675,598,284	595,101,280	678,415,459
	For the financial year ended 31 December 2008 (audited)		For the financial year ended 31 December 2009 (unaudited)	
	<i>RMB</i>	<i>HK\$</i>	<i>RMB</i>	<i>HK\$</i>
Attributable net profit/(loss) before tax	(9,022)	(10,285)	(35,794)	(40,805)
Attributable net profit/(loss) after tax	(9,022)	(10,285)	(35,794)	(40,805)

REASONS FOR THE ACQUISITION

After the Acquisition, the Company will indirectly wholly own the Target Company. This allows the Company to further participate in real estate development in Shandong Province, the PRC which the Directors consider to have continued growth potential in the future. The Directors are optimistic about the prospect of the property market in Shandong Province, the PRC.

The Directors (including the independent non-executive Directors) are of the opinion that the Transfer Agreement (including the Acquisition) are on normal commercial terms after arm's length negotiation between the parties, fair and reasonable and in the interests of the Company and its Shareholders as a whole.

The completion of the Acquisition will not have any material change to the assets and liabilities of the Group.

IMPLICATIONS UNDER THE LISTING RULES

As the highest of all percentage ratios in respect of the Acquisition is above 5% but below 25%, the Acquisition constitutes a discloseable transaction for the Company under the Listing Rules and is therefore subject to the announcement requirement under Chapter 14 of the Listing Rules.

DEFINITIONS

In this announcement, the following expressions have the meanings set opposite them below:

“Acquisition”	the acquisition of 100% of the equity interest in the Target Company from Jinan Haixin by the Hangzhou Greentown Investment under the Transfer Agreement
“Board”	the board of Directors
“Company”	Greentown China Holdings Limited (綠城中國控股有限公司*), a company incorporated in the Cayman Islands with limited liability on 31 August 2005, the Shares of which are listed on the Stock Exchange
“connected person”	has the meaning ascribed to it under the Listing Rules
“Consideration”	has the meaning ascribed to it under the paragraph headed “The Transfer Agreement – Consideration”, comprising the Transfer Price and the Payables
“Directors”	the directors of the Company
“Greentown Real Estate”	綠城房地產集團有限公司 (Greentown Real Estate Group Co., Ltd.*), a wholly foreign-owned enterprise which was established in the PRC on 6 January 1995, and is indirectly wholly-owned by the Company
“Group”	the Company and its subsidiaries

“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Hangzhou Greentown Investment”	杭州綠城置業投資有限公司 (Hangzhou Greentown Real Estate Investment Co., Ltd.*), a limited liability company which was incorporated in the PRC on 30 September 2004, and is wholly-owned by 浙江嘉和實業有限公司 (Zhejiang Jiahe Industrial Co., Ltd.) which, in turn, is wholly-owned by Greentown Real Estate
“Jinan Haixin”	濟南海信置業有限公司 (Jinan Haixin Real Estate Co., Ltd.*), a limited liability company which was incorporated in the PRC on 28 May 2007, and is wholly-owned by Qingdao Haixin
“Jinan Land”	the parcel of land with a total site area of approximately 256,003 square metres which is owned by the Target Company
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Payables”	the total amount of payables in an aggregate amount of RMB650,000,000 (approximately HK\$741,000,000) owed by the Target Company to other parties (including Jinan Haixin and Qingdao Haixin) as at 28 February 2010
“percentage ratios”	has the meaning ascribed to it under the Listing Rules
“PRC”	the People’s Republic of China, excluding Hong Kong, the Macau Special Administrative Region of the PRC and Taiwan
“Qingdao Haixin”	青島海信房地產股份有限公司 (Qingdao Haixin Real Estate Co., Ltd.*), a limited liability company which was incorporated in the PRC on 19 July 1995
“RMB”	Renminbi, the lawful currency of the PRC
“Share(s)”	the ordinary share(s) of HK\$0.1 each of the Company
“Shareholders”	holders of the Shares
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Target Company”	山東東城置業有限公司 (Shandong Dongcheng Real Estate Co., Ltd.*), a limited liability company which was incorporated in the PRC on 29 January 2008, and is wholly-owned by Jinan Haixin
“Transfer Agreement”	the equity transfer framework agreement dated 31 March 2010 entered into among Hangzhou Greentown Investment, Greentown Real Estate, Jinan Haixin and Qingdao Haixin in respect of the Acquisition

“Transfer Price” RMB590,330,000 (approximately HK\$672,976,200), being part of the consideration for the Acquisition

* *For identification purposes only*

For the purpose of this announcement, the exchange rate of RMB1.00 = HK\$1.14 has been used for currency translation, where applicable. Such exchange rate is for illustration purposes and does not constitute representations that any amount in RMB or HK\$ have been, could have been or may be converted at such rate.

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

Hangzhou, the PRC, 1 April 2010

As at the date of this announcement, Mr Song Weiping, Mr Shou Bainian, Mr Luo Zhaoming, Mr Chen Shunhua and Mr Guo Jiafeng are the executive Directors; Mr Jia Shenghua, Mr Jiang Wei, Mr Sze Tsai Ping, Michael, Mr Tsui Yiu Wa, Alec, Mr Tang Shiding and Mr Ke Huanzhang are the independent non-executive Directors.