



Greentown China Holdings Limited
綠城中國控股有限公司

07 Annual Results

April 2008

(Stock code: 3900.HK)



- ❁ **Business Review**
- ❁ **Financial Highlights**
- ❁ **Outlook**



Shanghai Rose Garden

Business Review

Product Refining Strategy



– solidifying our competitive advantages

- ☼ Product Refining Strategy continues to be well received in the market, with excellent sales performance
- ☼ Key objective is to align with the market's growing demand for higher standards of quality. With steadfast commitment to deliver in all of its projects, Greentown is able to maintain its leadership in the premium residential sector
- ☼ Company launched a number of high-quality new developments during the year, such as Beijing Majestic Mansion, Shanghai Rose Garden, 1000-Island Lake Resort Condo and Hangzhou Liuzhuang



Shanghai Rose Garden



1000-Island Lake Resort Condo



Beijing Majestic Mansion

Premium Community Service System



- ☼ Main emphasis of Greentown's management is to focus on providing services that satisfy the healthcare, cultural and everyday needs of residents
- ☼ Hangzhou Blue Patio points to our new direction on quality offerings, and its well-reception by the general public has had a direct positive impact on speed of pre-sales

Hangzhou Blue Patio – only corporate housing development to receive a “China City Administration Excellence Award” during 2007



2007 Pre-sales – promising results



Recorded encouraging pre-sale of RMB15bn
 (vs FY06: RMB7.1bn ; ↑ 113%)
 (attributable, vs FY06: RMB10bn , ↑ 104%)

Project Category	GFA at 1.1.07 (sqm)	Newly Launched GFA (sqm)	GFA Sold (sqm)	Presale rate for FY2007
Residential Apartments	382,644	1,119,395	1,312,246	87%
Villa	22,154	150,972	153,170	88%
Commercial	33,981	159,242	120,042	62%
Total	438,779	1,429,610	1,585,459	85%

Launch of Hangzhou Blue Patio Apartment



Launch of Hangzhou Taohuayuan Villa



Demonstration of increase in ASP



Order	Project	Category	2006 average	2007 average	Growth (%)	Present selling price	
			ASP	ASP		(RMB/sqm)	Growth (%)
			(RMB/sqm)	(RMB/sqm)		(RMB/sqm)	
1	Xinjiang Rose Garden	Villa	6,053	10,201	↑ 69%	15,100	↑ 48%
2	Zhengzhou Lily Apartment	Complex	3,978	5,490	↑ 38%	9,250	↑ 68%
3	Shanghai Greentown	High-rise	12,721	16,787	↑ 32%	—	—
4	Haining Lily Apartment	Low-rise	6,079	7,861	↑ 29%	—	—
		Villa	10,123	12,792	↑ 26%	21,000	↑ 64%
		High-rise	3,936	4,606	↑ 17%	5,000	↑ 9%
5	Hangzhou Tulip Bank	Low-rise	10,232	12,778	↑ 25%	—	—
		High-rise	5,438	6,228	↑ 15%	8,500	↑ 36%
6	Zhoushan Sweet Osmanthus City	Low-rise	4,733	5,875	↑ 24%	7,400	↑ 26%
7	Ningbo Sweet Osmanthus Garden	Low-rise	4,357	5,302	↑ 22%	6,200	↑ 17%
8	Beijing Lily Apartment	Complex	3,837	4,634	↑ 21%	7,700	↑ 66%
9	Hefei Lily Apartment	High-rise	4,326	5,202	↑ 20%	7,000	↑ 35%

Property development in 2007



- ☼ Project commencement: increased to 3.86m sqm (↑ 130% vs FY06)
- ☼ Project completion: increased to 1.61m sqm (↑ 52% vs FY06)
- ☼ Properties under Development (“PUD”): increased to 5.38m sqm (↑ 72% vs FY06) as at end of 07; 3.41m sqm based on equity interest (↑ 81% vs FY06)



Hangzhou Hope Town



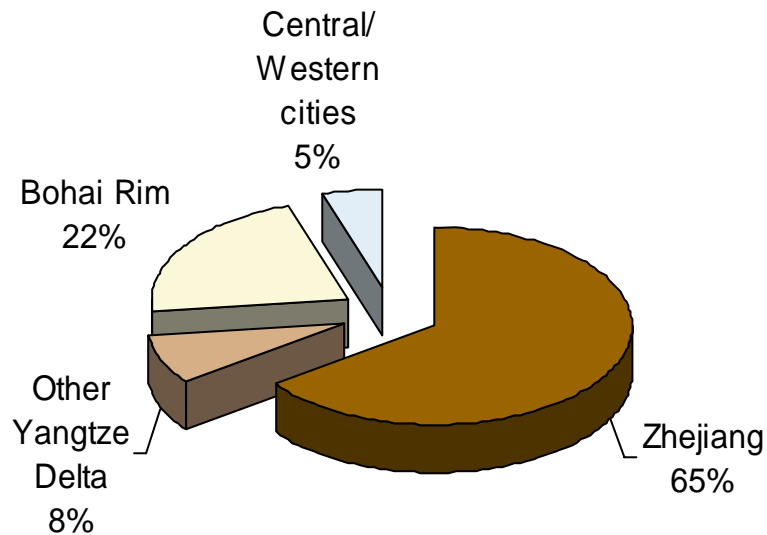
Zhoushan Sheraton Greentown Hotel

2007 land bank

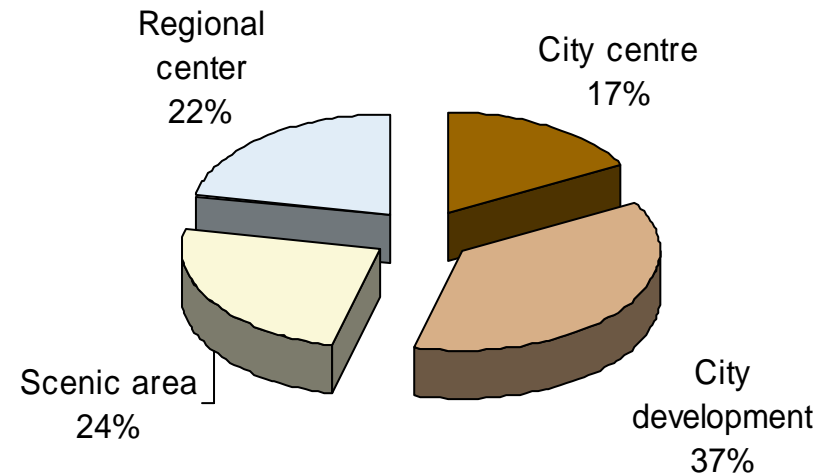


- During 2007, Greentown secured 21 new projects, adding 10.22m sqm GFA to land bank. 12 of these projects have arisen through joint-venture or M&A, accounting for 7.96m sqm of the total GFA
- By 2007 year end, land bank has reached 22.22m sqm GFA, and 13.62m sqm GFA based on equity interest. This provides sufficient reserves for development in the next four to five years
- According to professional property valuation by DTZ, the value of our land bank has appreciated significantly

Total GFA (based on regional distribution)



Total GFA (based on location)



Development partners with comprehensive strengths



☼ Partners possessing complimentary resources, i.e. land or shared community resources



☼ Partners with strong financial background and who recognize Greentown's branding premium and management capabilities



☼ Partners with recognized strengths in the same industry



Shanghai Greentown

Financial Highlights

Financial Results



For year ended 31 Dec

RMB (million)

	2007	2006	Change
Revenue	5,739	6,400	-661
Gross profit	2,064	2,821	-757
Gross profit margin	36%	44%	-8%
LAT provision	417	132	285
Net profit before minority interests	1,005	1,288	-283
Net profit attributable to equity holders	923	1,269	-346
Net margin	18%	20%	-2%
Basic earnings per share (RMB)	0.63	1.09	-0.46
Diluted earnings per share (RMB)	0.61	1.09	-0.48
Dividend per share (HK cents)	0.32	0.36	-0.04

Analysis of operational income - for projects delayed to 2008

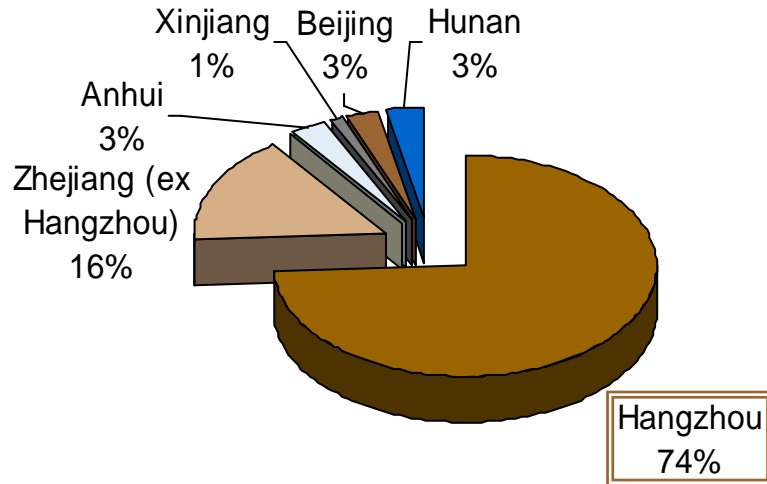


Project	Interest held	Saleable GFA (sqm)	Sold GFA & sale proceeds received @ 07 year end	Pre-sale rate @ 07 year end	Reason for delay	Status
Shanghai East Sea Plaza Phase I	49%	81,247	71,667sqm / RMB 1.95bn	100%	Delay of Government's resettlement progress on the public road outside the carpark	Government promised to solve by mid of 2008
Hangzhou Taohuayuan South Phase I & West (Partial)	51%	23,495	21,895 sqm / RMB 574m	78%	Re-submission of development plan according the new 70-90 Rule & Delay of resettlement progress	Plan approved
Shanghai Rose Garden Phase I	100%	24,241	12,754 sqm/ RMB 468m	53%	Plan Adjustment	Resolved
Zhoushan Rose Garden (formerly named Zhoushan Dangxiao)	100%	4,110	Pre-sale not yet launch		Plan Adjustment	Resolved

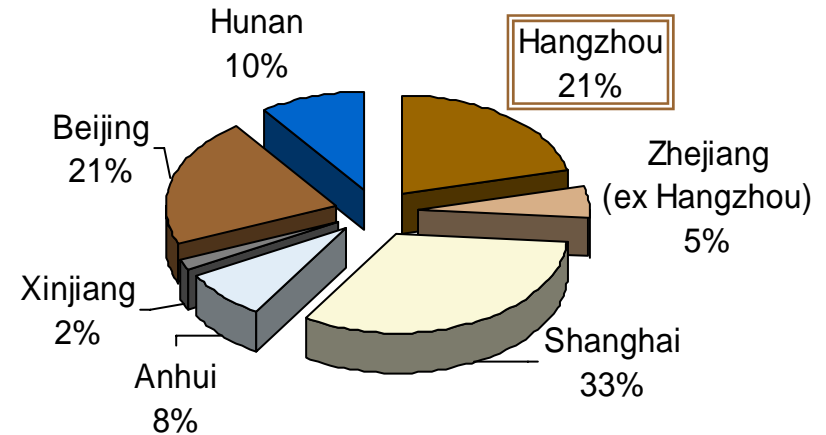
Diversification of income source – leading to change in gross margin



2006 revenue (by region)



2007 revenue (by region)



- ☼ In 2006, over 75% of the recognized revenue originated from Hangzhou and the rest of Zhejiang, where Greentown commands higher pricing premium leveraging on its brand appeal
- ☼ In comparison, for 2007, contribution of recognized revenue was more diversified by region

Financial position



For year ended 31 Dec

RMB (million)	2007	2006	Change
Cash on Hand	2,877	3,249	-372
Pledged Bank Deposits	506	630	-124
Total Assets	32,866	17,839	15,027
Total Debt	11,754	7,372	4,382
Net Debt	8,371	3,493	4,878
Shareholders Equity ¹	9,487	4,739	4,748
Total Capitalisation ²	21,241	12,111	9,130
LAT Provision Payable	436	95	341
Net Debt/Equity	88%	74%	NA
Total Debt/Total Capitalisation	55%	61%	NA
Interest Coverage	4.86x	11.41x	NA

Note: 1) Including share capital, reserves and minority interest

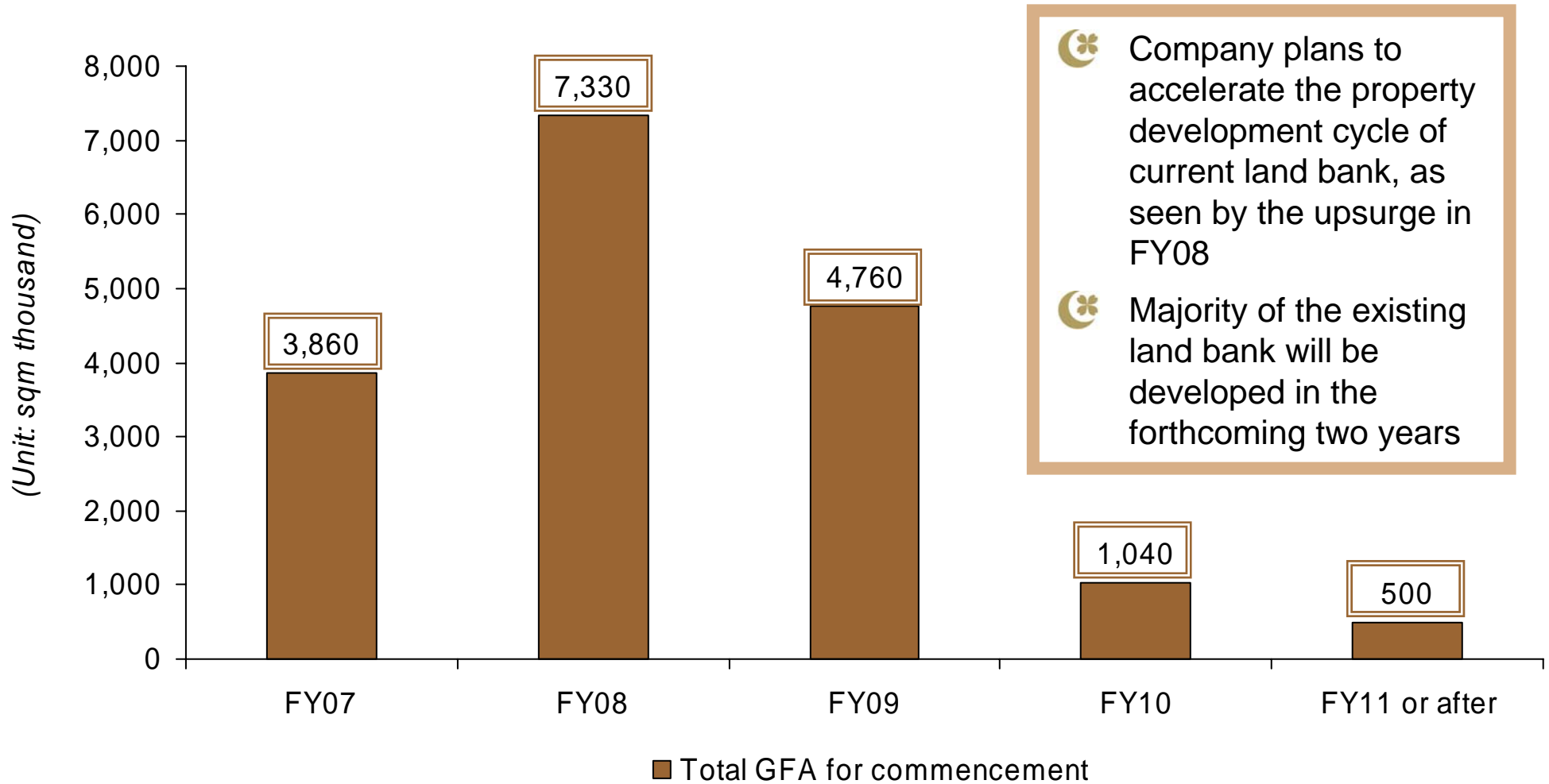
2) Including total debt, share capital, reserves and minority interest



Beijing Majestic Garden

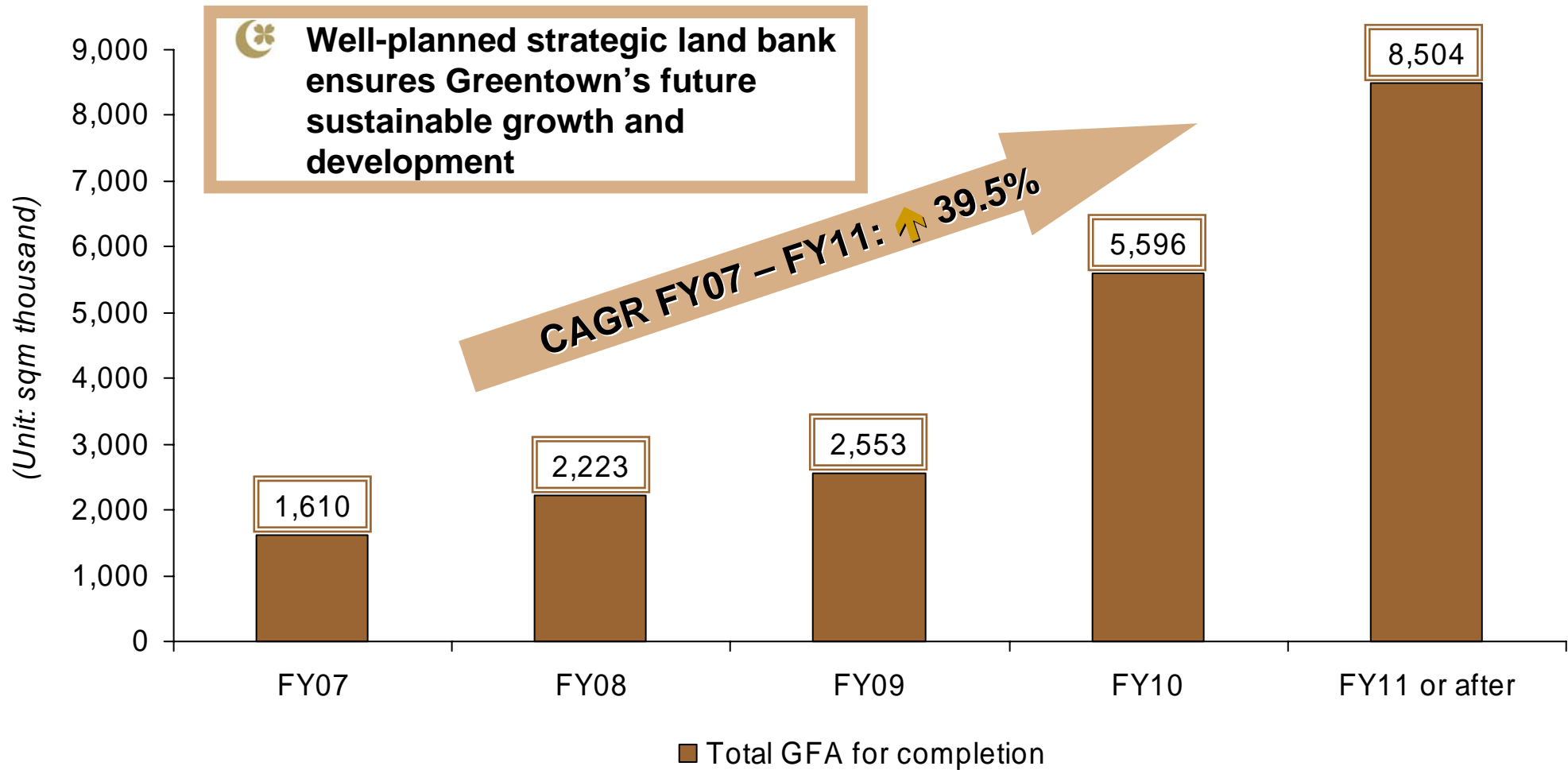
Outlook

2007 – 2011 land bank – GFA for commencement



Note: management estimate for total GFA for commencement going forward

2007 – 2011 land bank – GFA for completion



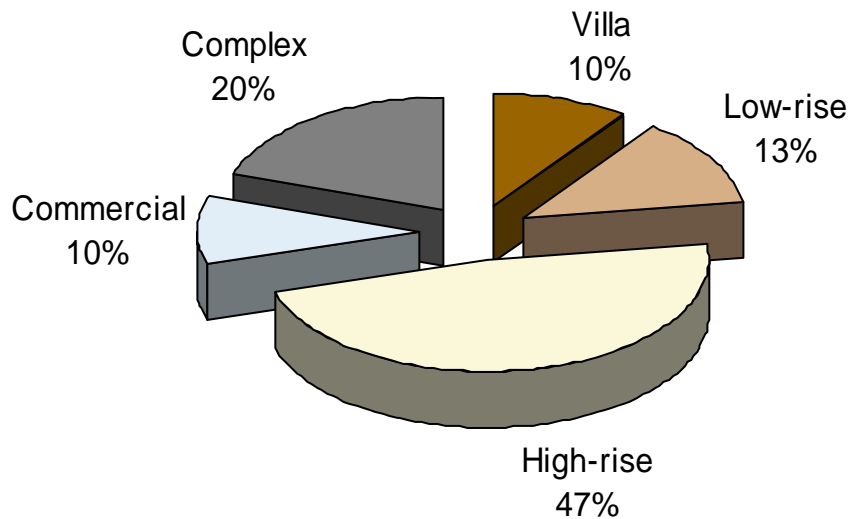
Note: Management estimate for total GFA for completion going forward

2008 – commencement plan

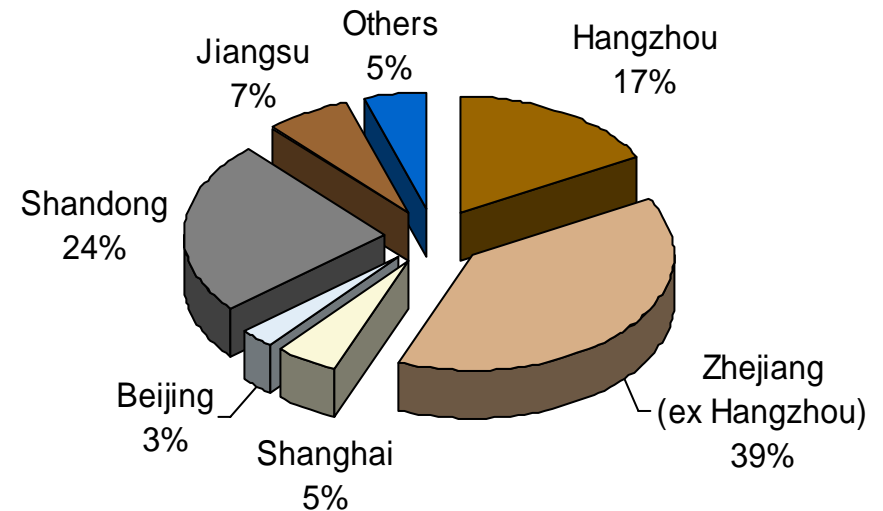


- ☘ For 2008, estimated total GFA for commencement: 7.33m sqm (↑ 90% vs 2007), 4.58m sqm based on equity interest (↑ 83% vs 2007)
- ☘ By end of 2008, total GFA under construction will reach 10.48m sqm (↑ 95% vs 2007)

**Total newly commenced GFA
(based on product category)**



**Total newly commenced GFA
(based on geography)**



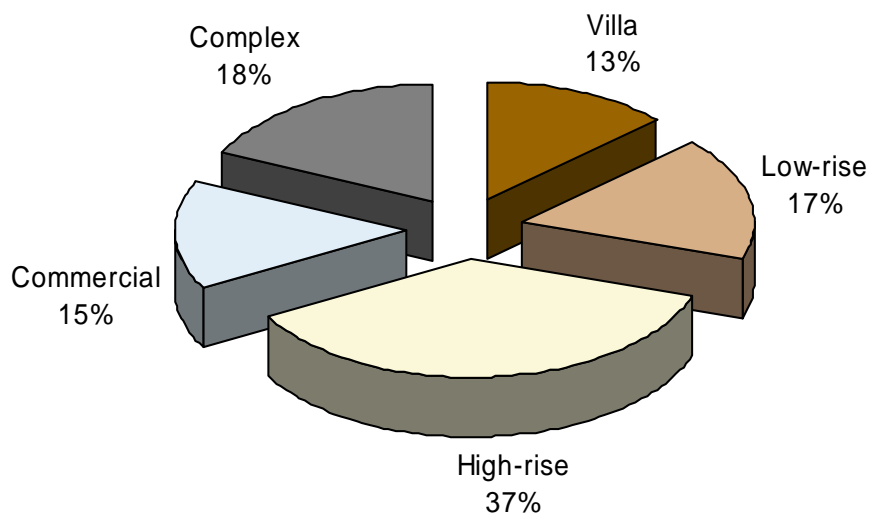
Note: Both charts shown on 100% equity basis

2008 – completion plan

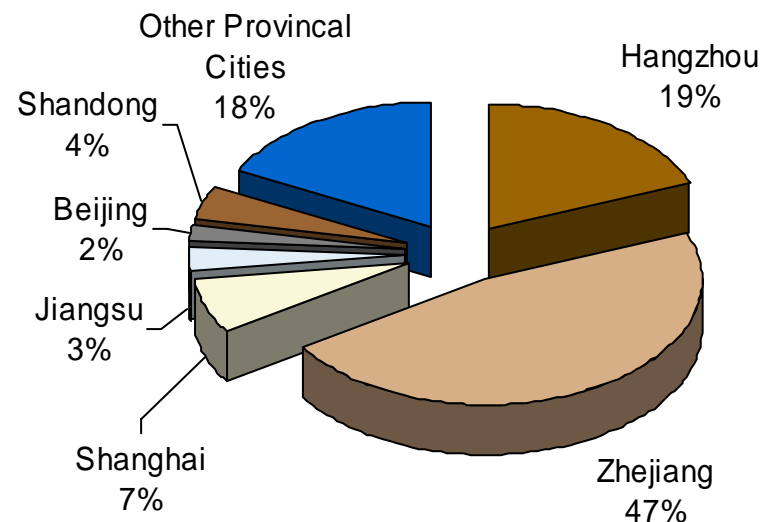


- ☘ For 2008, estimated total GFA for completion: 2.22m sqm (↑ 38% vs 2007), 1.37m sqm based on equity interest (↑ 41% vs 2007)
- ☘ 48% pre-sale locked-in by end of 2007

**Completed total GFA
(based on product category)**



**Completed total GFA
(based on geography)**



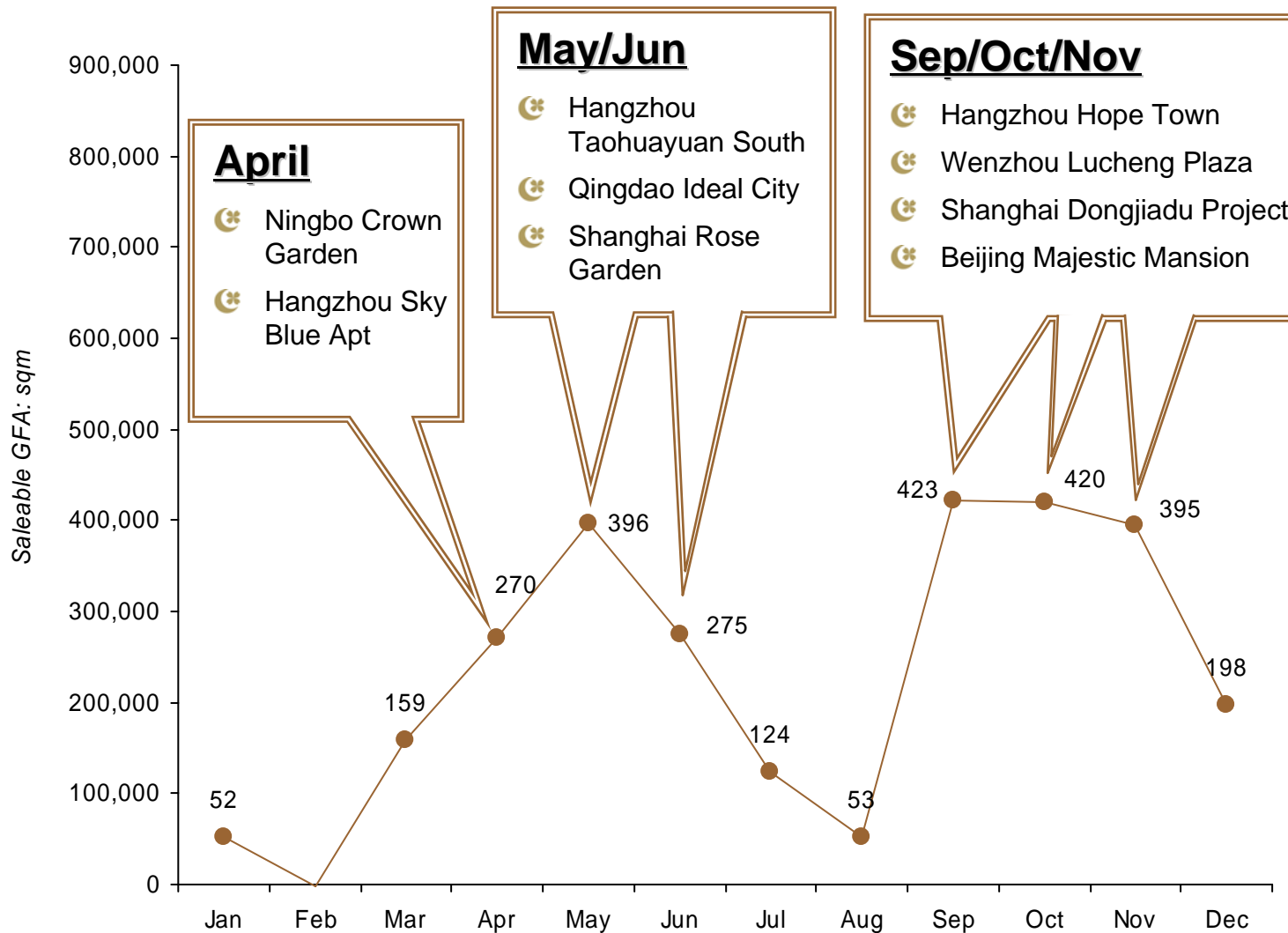
Note: Both charts shown on 100% equity basis

2008 major project launches (Jan – Apr)

Project	Launch Details			Sold Details			
	Date of Launch	No. of units launched	GFA launched (sqm)	GFA sold (sqm)	No. of units sold	Pre-sale rate up to end of the mth launch	ASP (Rmb/sqm)
Ningbo Crown Garden	19-Apr-08	576	74,355 ¹	70,637 ¹	535	95% (3-day period)	9,454
Hangzhou Lijiang Apartment	24-Mar-08	329	37,935	34,199	300	90% (3-day period)	14,179
Hangzhou Sky Blue Apartment	18-Apr-08	382	38,865 ¹	32,486 ¹	324	85% (3-day period)	25,665
Haining Lily Apartment	25-Mar-08	29	12,330	7,618	18	62%	8.97m/unit
Hangzhou Blue Patio	22-Mar-08	52	9,105	3,865	25	42%	7,474
		90	7,974	4,684	50	59%	8,304
Ningbo Osmanthus Garden	9-Mar-08	17	3,538	2,006	6	57%	9,491
Deqing Osmanthus Town	8-Mar-08	17	2,568	1,818	13	71%	6,452
Beijing Lily Apartment	1-Mar-08	92	12,097	9,152	74	76%	6,887
Nanjing Rose Garden	26-Jan-08	8	4,510	3,196	6	71%	10.48m/unit

Note: 1) Based on latest management data

2008 major project launches (rest of year)



April

- Hangzhou Sky Blue Apt
- Ningbo Crown Garden

May/June

- Shanghai Rose Garden
- Qingdao Ideal City
- Hangzhou Taohuayuan South

Sep/Oct/Nov

- Beijing Majestic Mansion
- Shanghai Dongjiadu Project
- Wenzhou Lucheng Plaza
- Hangzhou Hope Town

In 2008, the Company estimates that a total of 60 projects or project phases will commence sales. Additional saleable area will amount to approximately 2.74m sqm (including car parks and storage areas)

For projects completed and delivered by end of 2007, 490,000 sqm (including car parks and storage areas) will be available for sale in the market in 2008



Hangzhou Taohuayuan

Open Forum

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