



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

2008 Interim Results Presentation

September 2008

(Stock code: 3900.HK)



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- ❖ **Overview**
- ❖ **Operation Review**
- ❖ **1H08 Financial Review**
- ❖ **Future Plans and Strategies**



Overview

1H2008 – Outstanding Execution Capability

- ☺ Greentown has continued to successfully execute its strategies in 1H08. By developing new projects through joint ventures and focusing on product excellence, Greentown has attained a unique, leading position in the market. During 1H08, the Company achieved strong results despite the current volatile real estate market
- ☺ Although transaction volume in the China's real estate market declined significantly, the Company still achieved strong contracted sales in first half of the year. During 1H08, Greentown's contracted sales was over RMB7.8 billion, representing a 44% growth year-on-year (YoY); average selling price has also increased by 51%
- ☺ Greentown completed its construction plan for 1H08 and recognized total sales of RMB4.52 billion (including associates) or attributable sales of RMB2.53 billion. Company recognized 1H08 net profit of RMB341 million, representing a 32% YoY growth
- ☺ As of August 31, 2008, Greentown has locked in 85% of its 2008 targeted saleable GFA (above ground) completion. Contracted sales achieved and to be recognized as revenue in 2H08 amounts to RMB9.3 billion, of which RMB5.7 billion are attributable to the Company
- ☺ Year-to-date as of August 31, 2008, Greentown has acquired new land bank of total GFA 3.83 million sq.m., of which 1.97 million sq.m. are attributable to the Company



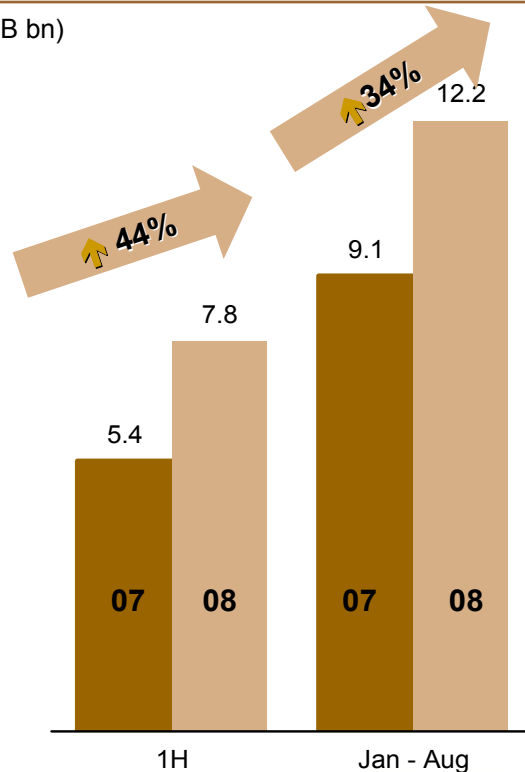
Operation Review

Strong Contracted Sales

- As of June 30, 2008, the Company has achieved gross contracted sales of RMB7.8 billion, representing a 44% growth YoY; attributable contracted sales of RMB5.5 billion, representing a 41% growth YoY. Gross GFA pre-sold maintained flat as compared to that of 2007
- As of August 31, 2008, Company has achieved gross contracted sales of RMB12.2 billion, representing a 34% growth YoY; attributable contracted sales of RMB8.6 billion, representing a 35% growth YoY

Contracted Sales (Gross)

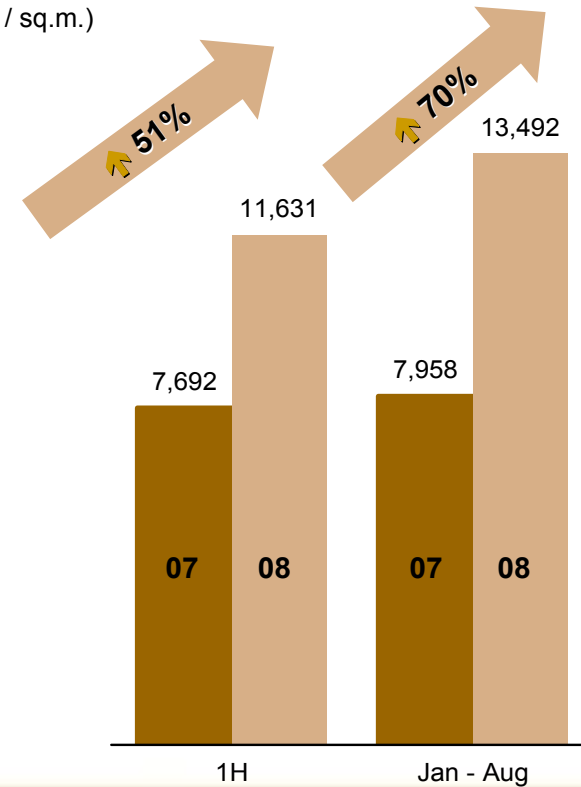
(RMB bn)



*Includes LOI and contracts

ASP

(RMB / sq.m.)



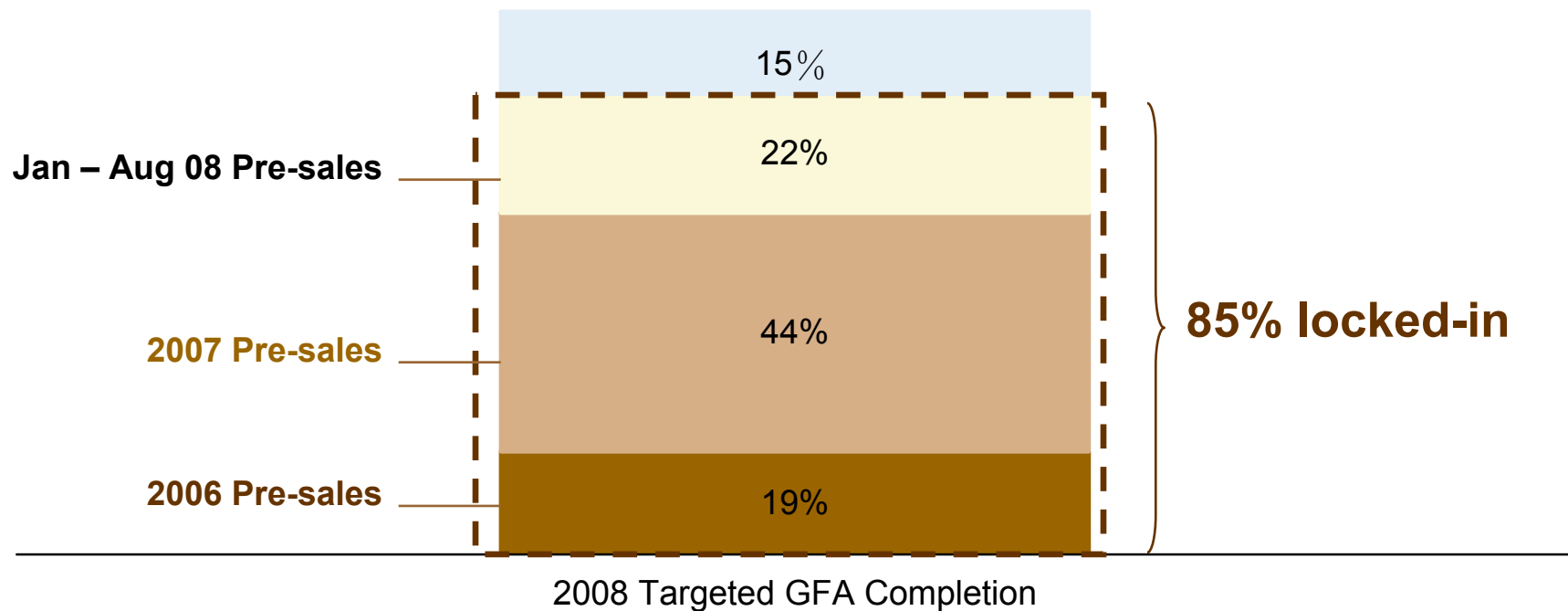
2008 Major Projects Launches (Jan – Aug)

All new projects launched in 2008 have achieved a high overall pre-sales rate of 68%

Project Name	Greentown Ownership (%)	Pre-sales Launch Date	GFA for Pre-sales (sq.m.)	% of GFA Pre-sold (As of Aug 31, 08)	ASP (RMB / sq.m.)	Contracted Sales Achieved (RMB mn)
Hefei Lily Apartment Phase 7	80.0%	3/1/08	12,097	95%	6,950	80
Hangzhou Blue Patio Phase 2	85.0%	3/22/08	7,974	87%	8,327	58
Hangzhou Lijiang Apartment Phase 1	100.0%	3/24/08	37,935	98%	14,124	523
		5/10/08	31,135	82%	15,749	401
Hangzhou Sky Blue Apartment	95.5%	4/18/08	38,865	94%	25,210	925
Ningbo Crown Garden Phase 1	60.0%	4/18/08	128,399	98%	10,060	1,269
		4/30/08				
Hefei Lily Apartment Phase 2	54.0%	4/19/08	22,806	96%	6,301	138
Hangzhou Yulan Apartment	95.5%	7/27/08	38,476	84%	15,883	510
Wenzhou Lucheng Plaza Phase 1	60.0%	8/1/08	108,860	51%	41,482	2,367
Qingdao Ideal City Phase 1	80.0%	8/2/08	87,599	65%	Villa:6,478 Apartment:5,661	339
Haining Lily New Town Villa Phase 4	50.0%	8/12/08	9,380	81%	16,492	125

*Above data is based on gross GFA pre-sold

2008 Targeted GFA Completion is 85% Locked-in as of August 31



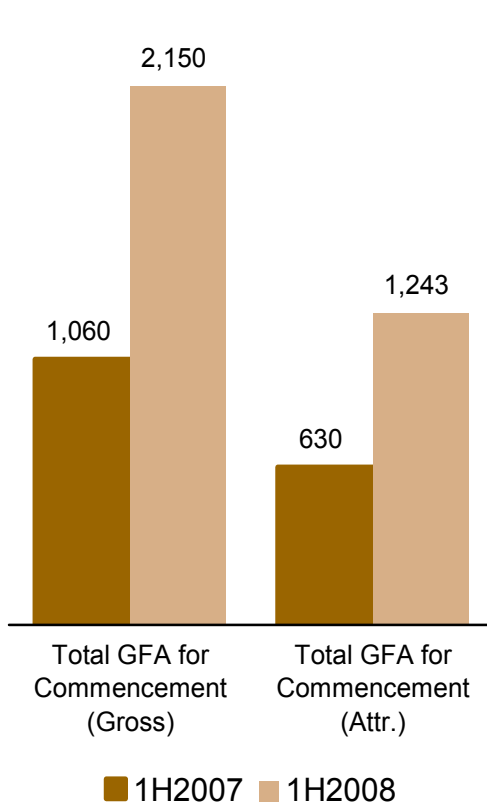
2008 targeted GFA completion (saleable GFA above ground) of 1.7 million sq.m.

Note: GFA pre-sold refers to gross saleable GFA (above ground only)

Construction Schedule in 2008

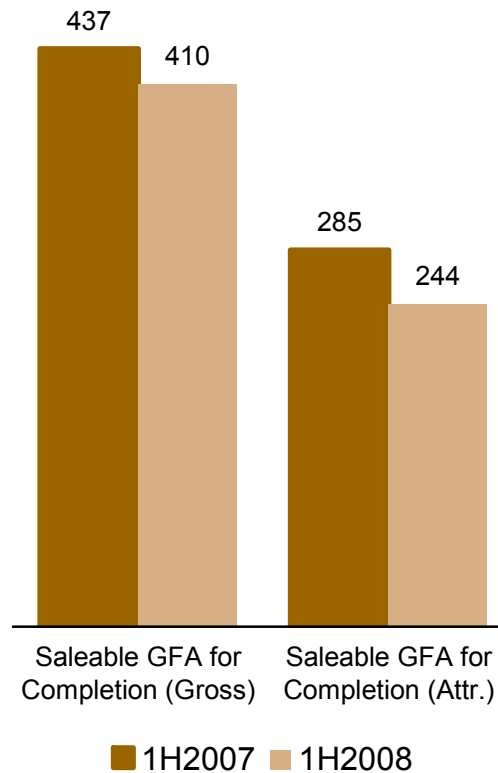
GFA Commenced

(000 sq.m.)



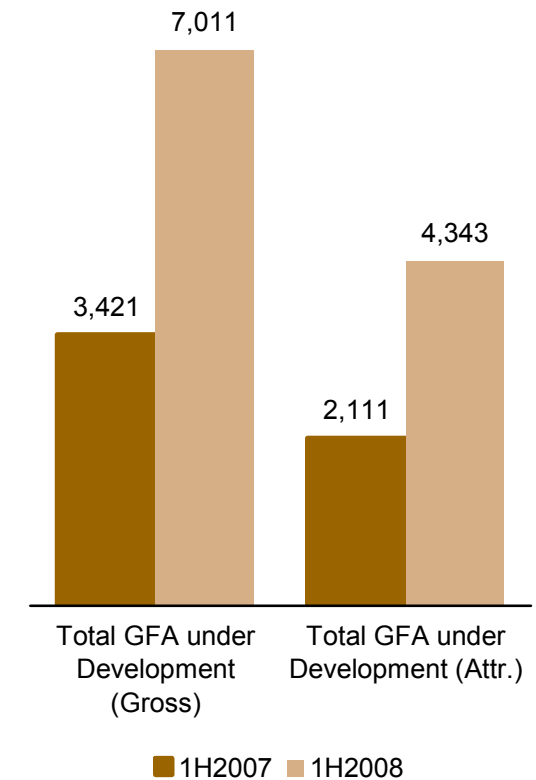
Saleable GFA Completed

(000 sq.m.)



GFA Under Development

(000 sq.m.)



Note: Saleable GFA refers to above ground GFA only

Jan – Aug 08 Key Projects Acquired

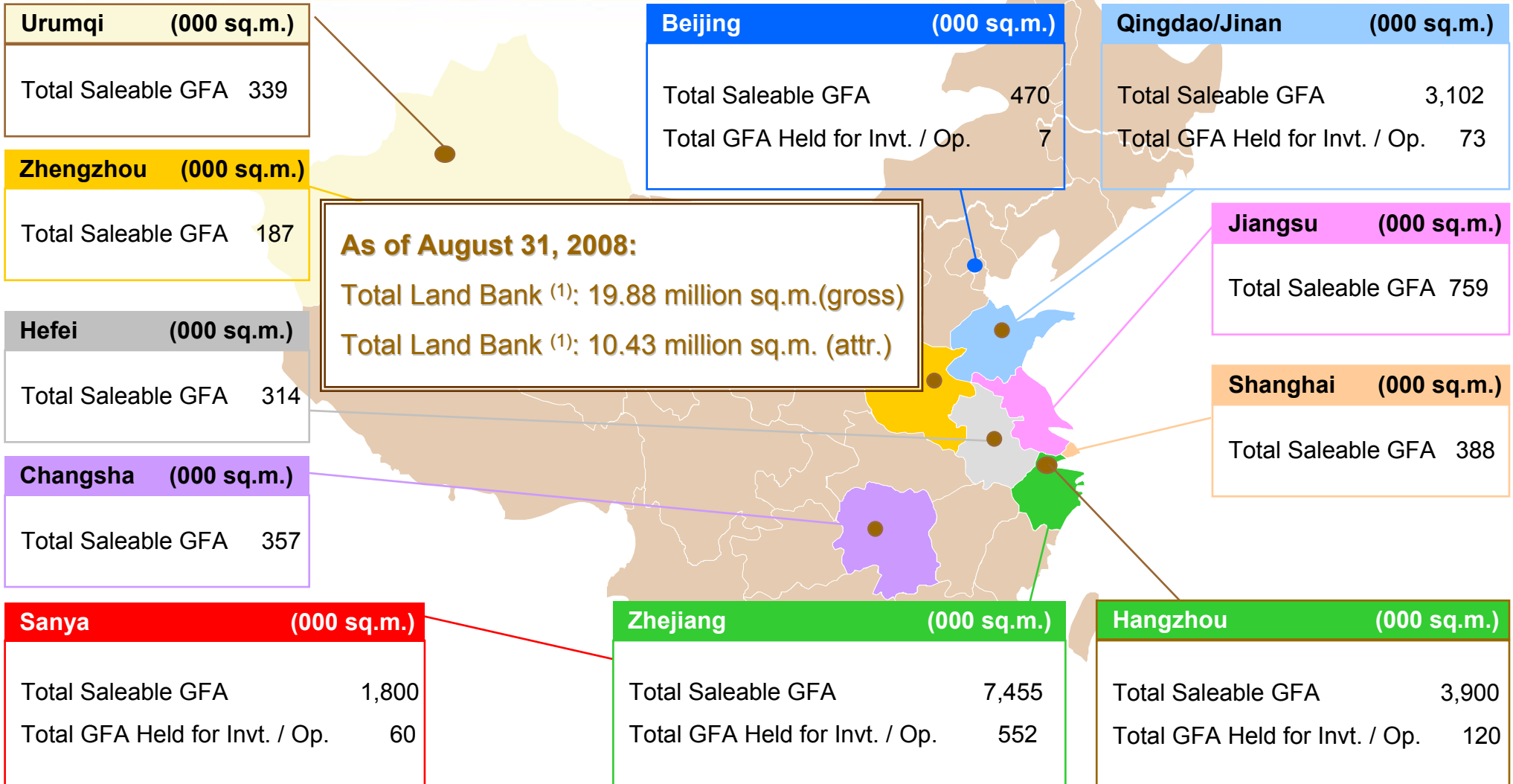
Project	Ownership %	% Land Cost to be Paid by Greentown	Location	Total GFA (sq.m.)	Total Saleable GFA* (above ground) (sq.m.)	Total Land Cost (RMB mn)	Avg Land Cost ** (RMB / sq.m.)	Acquisition Date
Xiangshan Lily Apartment	50%	9% ⁽¹⁾	Zhejiang	195,006	136,763	418	2,919	Jan
Beijing Nanshatan Project	50%	9% ⁽¹⁾	Beijing	98,944	73,084	587	7,163	Feb
Hainan Lingshui Project	51%	51%	Hainan	205,000	90,000	11	56	Mar
					60,000	131	744	Mar
				(Held for Investment)				
				1,877,300	1,711,300	682	363	Jul
Hangzhou Jiangchun #1-2 Land	50%	12% ⁽²⁾	Hangzhou	246,205	95,655	1,001	10,188	May
					96,104	1,100	11,142	May
Hangzhou Jiangchun #7 Land	49%	49% ⁽³⁾	Hangzhou	167,313	124,714	1,058	8,260	May
Hangzhou Dadou Road Project	50%	0% ⁽⁴⁾	Hangzhou	60,200	44,000	388	6,443	May
Hangzhou Jiangchun #10 Land	50%	30%	Hangzhou	162,922	120,520	961	7,750	Jul
Yuhanqinping 2008-15 Land	100%	100%	Hangzhou	279,550	231,800	1,176	4,840	Jul
Ciqi Project	49%	30%	Zhejiang	191,128	145,700	1,006	6,346	Aug

* GFA for some projects are estimated based on plot ratio x site area ** Calculated based on plot ratio

- (1) Greentown and its partner each contributed RMB100 million to set up an investment company. The investment company owns 100% of the project. The partner contributed another RMB900 million for the acquisition of 2 pieces of land
- (2) Greentown contributed RMB10 million for the project and its partner contributed RMB590 million. The remaining RMB1.5 billion will be paid by the 50/50 JV held by Greentown and its partner
- (3) Greentown contributed RMB95 million out of the RMB634 million land cost paid in 2008; Greentown will be responsible for the RMB423 million outstanding land cost payable in 1Q09
- (4) Greentown's partner will be responsible for all the land cost. Greentown will hold 50% of the JV

Partnerships with JVs can reduce the Company's cash needs on land acquisitions

Land Bank Distribution



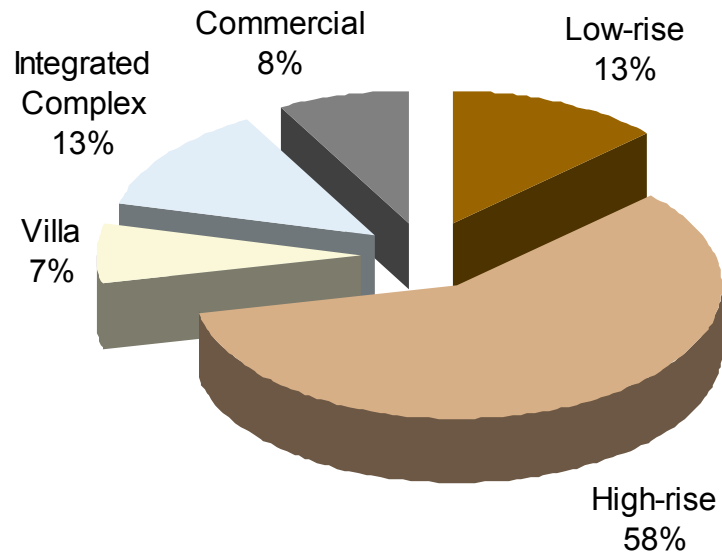
* Total saleable GFA refers to GFA above ground

(1) Land bank is defined as saleable GFA and GFA held for investment / operation

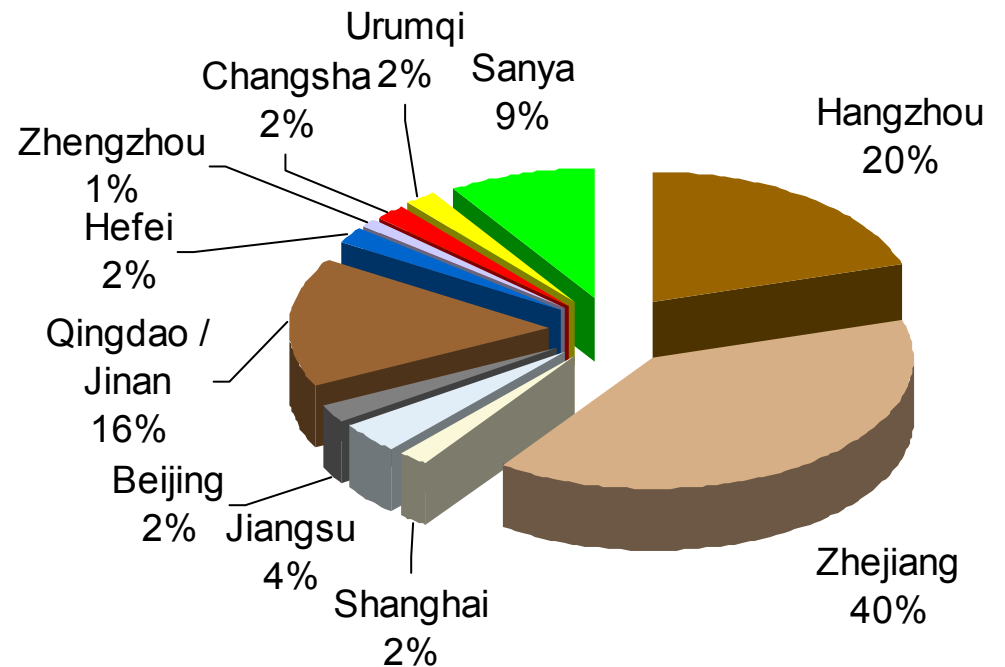
*Zhoushan Changzhidao Project GFA is based on plot ratio x site area

Land Bank Analysis

**Total Saleable GFA*
(By Product Type)**



**Total Saleable GFA*
(By Region)**



Balanced portfolio with diversified product mix and geographical coverage

*In terms of total above ground saleable GFA as of August 31, 08



1H08 Financial Review

Financial Review

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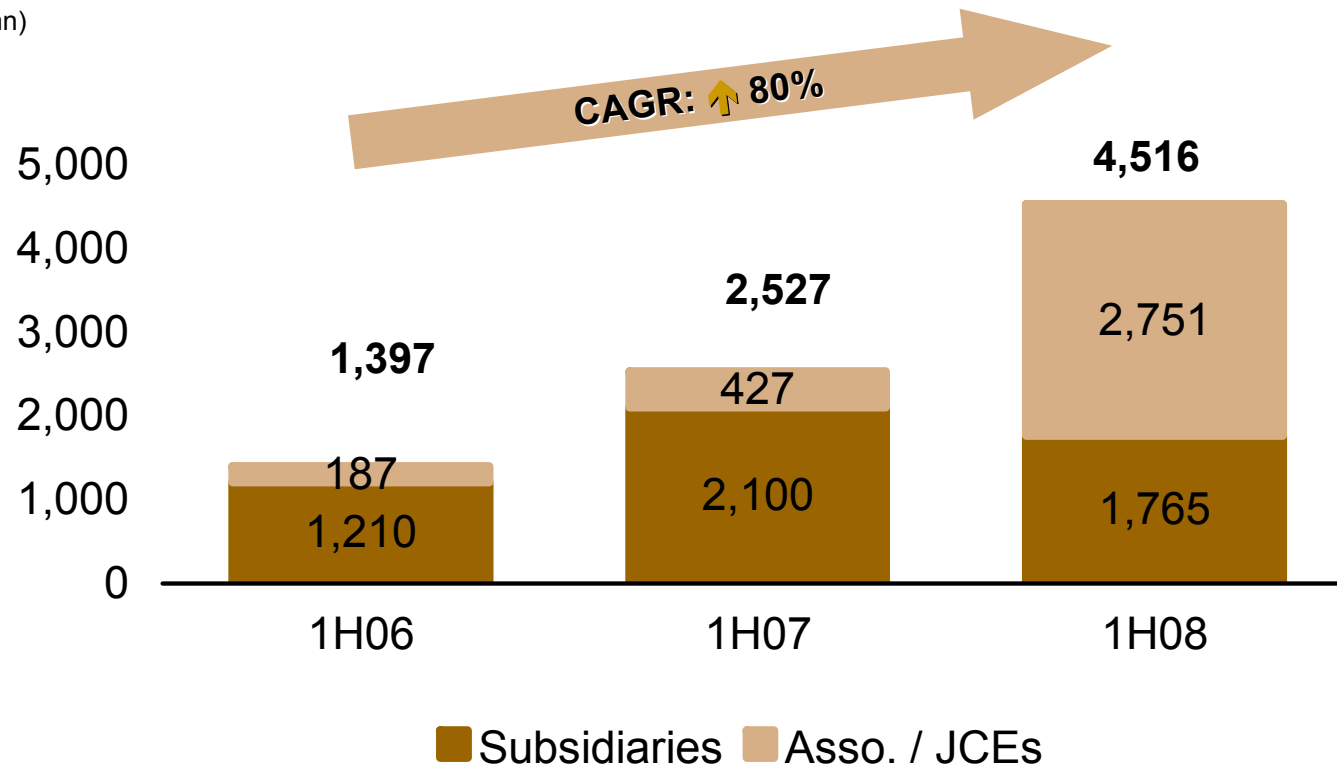
(RMB mn)	Six Months Ended June 30,		Change (%)
	2008	2007	
Sales	1,765	2,100	(16.0)
Gross Profit	647	736	(12.1)
<i>Gross Margin (%)</i>	36.7%	35.0%	N/A
Finance Cost	245	79	210.1
Shares of Profit from Associates and JCEs	170	10	1,600
LAT	119	133	(10.5)
Net Profit Attributable to Equity Holders	341	259	31.7
<i>Net Margin (%)</i>	20.9%	12.6%	N/A
Diluted EPS (RMB)	0.21	0.18	17

Improved net margin YoY is attributable to increased contribution from associates and JCEs

Total Recognized Sales Analysis

Total Recognized Sales (Gross, including Subsidiaries and Asso. / JCEs)

(RMB mn)



Increasing contribution from associates and JCEs to Greentown's net profit

Shares of gain / (loss) from Associates GREENTOWN 绿城

(RMB mn)

	Project	City	Ownership	1H08 Sales	1H08 Gross Profit	1H08 Net Profit (Loss)
1	Shanghai East Sea Plaza	Shanghai	49%	1,889	513	173
2	Haining Lily Apartment	Zhejiang	50%	381	158	50
3	Hope town	Hangzhou	45%	176	45	27
4	Zhengzhou Lily Apartment	Henan	38%	18	6	0
5	Ningbo Sweet Osmanthus Garden	Zhejiang	60%	37	9	2
6	Deqing Lily Apartment	Zhejiang	25%	34	5	0
7	Deqing Sweet Osmanthus Town	Zhejiang	47%	216	24	5
	Other Projects					(87)
	Total			2,751	760	170

**During 1H08, associates contributed significantly to Company's net profit.
Going forward, Company expects its associates will contribute increasingly to Greentown's net profit**

*Based on gross sales and profit contribution

Balance Sheet

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(RMB mn)	Jun 30, 2008	Dec 31, 2007	Change (%)
Cash	2,860	3,383	(15.5)
Total Asset	40,353	32,866	22.8
Total Debt	14,418	11,754	22.7
Pre-sale Deposits	7,084	3,583	97.7
LAT Payable	521	436	19.5
Net Debt / Equity	117%	88%	N/A
Total Debt / Total Capitalization	59%	55%	N/A
Total Liabilities / Total Asset	76%	71%	N/A

Note: Total Debt includes total debt, pre-sale deposits and other liabilities

Sufficient Cash

- ☺ As of August 31, 2008, Greentown's available funding amounted to RMB4.0 billion (including associates)
- ☺ Greentown's debt repayment schedule is less short-term. Total debt to be repaid on or before end-June 2009 amounts to RMB2.9 billion, representing 20% of total outstanding debt only. The Convertible Bond which matures in 2012 amounts to RMB2.3 billion and the High Yield Bond which matures in 2013 amounts to RMB2.7 billion, representing in aggregate 35% of total outstanding debt
- ☺ Cash inflow (including pre-sale deposits and new bank loans) from Sep to Dec is expected to amount to RMB13 billion
- ☺ Cash outflow (including construction cost and land cost, repayment of bank loans, interest expenses and general admin. expenses) from Sep to Dec is expected to amount to RMB11.8 billion. Company expects its cash level to remain healthy at year end
- ☺ Greentown has obtained sufficient bank facilities and diversified sources of financing, and will continue to maintain disciplined cash flow management, in order to support its expansion plan while maintaining a robust cash flow



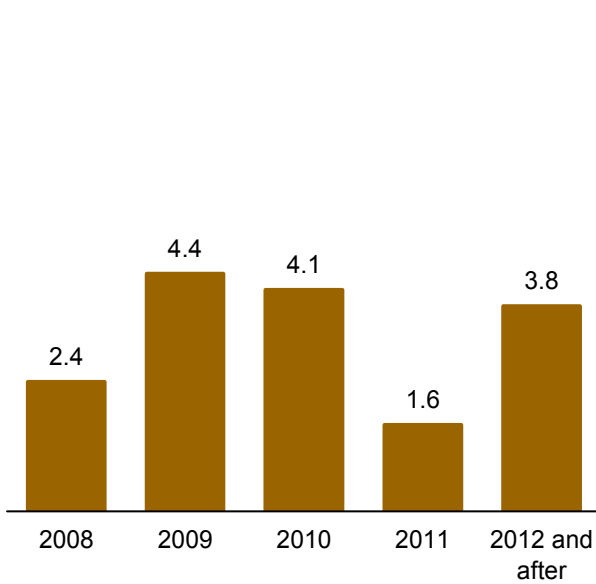
Future Plans and Strategies

Development Outlook (GFA for Commencement and GFA for Completion)

- ☘ Strong contracted sales provide sufficient operating cash flow
- ☘ Strategic acquisitions provide land bank for sustainable expansion

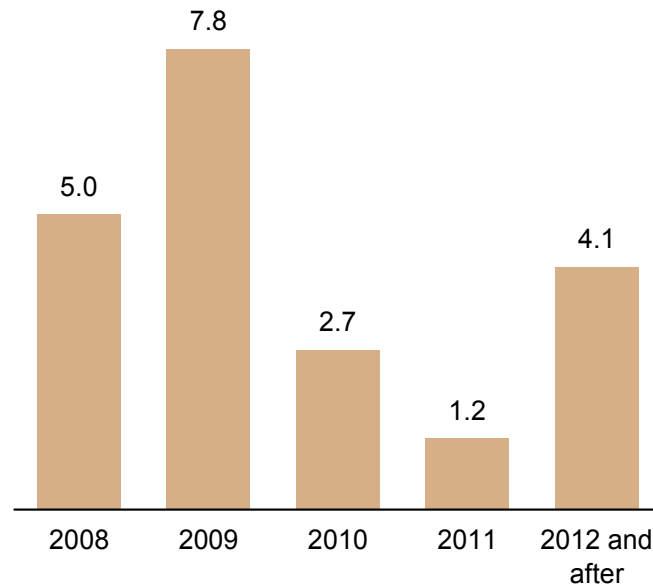
(million sq.m.)

New GFA Available for Sale



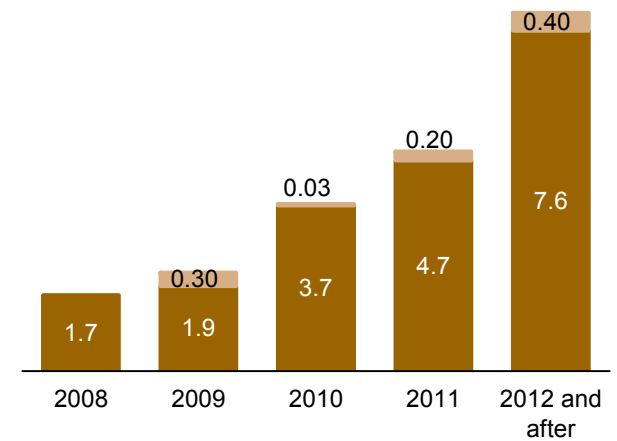
(million sq.m.)

GFA for Commencement



(million sq.m.)

GFA for Completion



■ Total GFA held for Investment / Operation
■ Saleable GFA for Completion

Note: Based on saleable GFA (above ground only)

Note: Based on total GFA

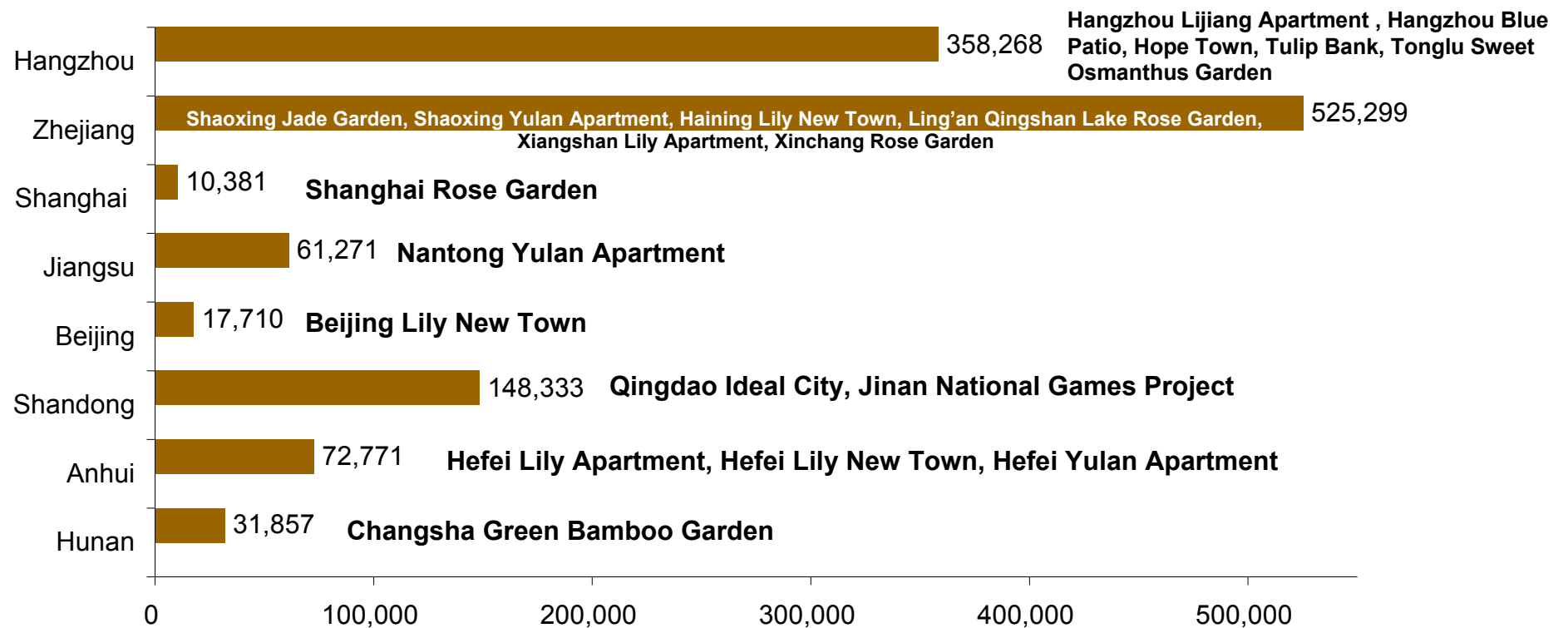
Note: Based on saleable GFA (above ground only)

(1) Figures for 2012 and after include Hainan and Changzhidao projects of which construction plans have not been confirmed

Pre-sales Strategy from Sep - Dec

Sep – Dec 08 New GFA for Sale and Major New Projects to be Launched

(sq.m.)



Total new GFA for sale from Sep – Dec 08 amounts to 1.23 million sq.m.

*In terms of gross saleable GFA (above ground)

Company Strategy – Quality Brand

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- ☼ Focus on product excellence
- ☼ Further improve its service
- ☼ Product Refining Strategy
- ☼ Premium Community Service System

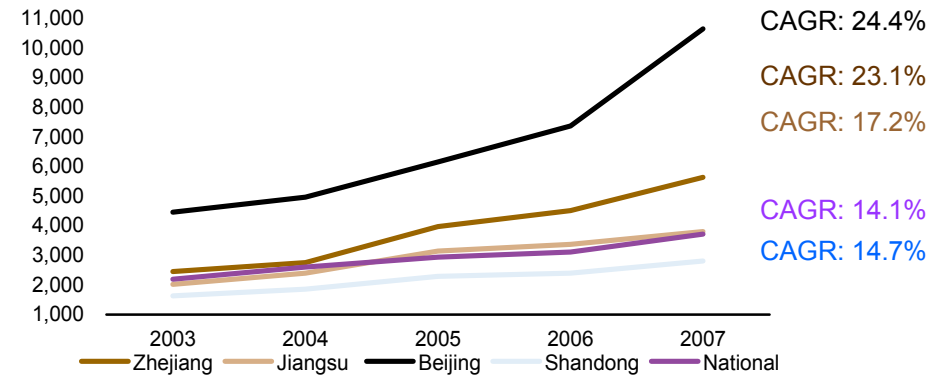


Company Strategy – Regional Expansion

- ☼ Maintain leadership position in Zhejiang Province, while expanding into other major regions in China
- ☼ Key regions include Yangtze River Delta (YRD) and Pan Bohai Rim Region
- ☼ Growth in GDP per capita and Residential ASPs in YRD and Pan Bohai Rim Region are both higher than national average

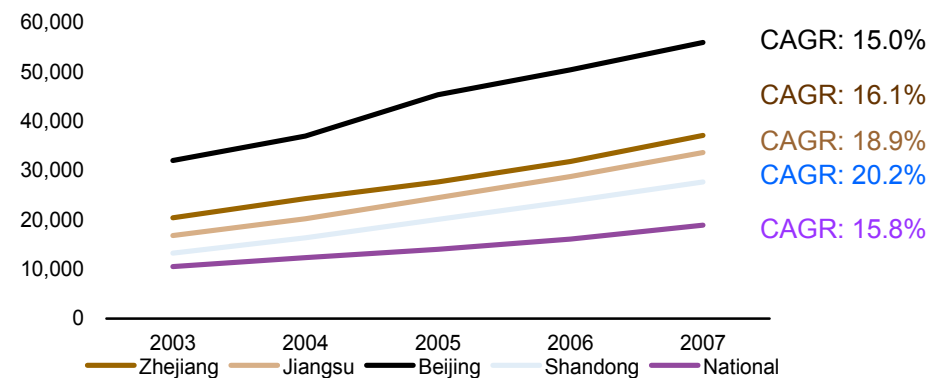
Residential ASPs in YRD and Pan Bohai Rim Region vs. China

(RMB / sq.m.)



GDP per capita in YRD and Pan Bohai Rim Region vs. China

(RMB)



Source: CEIC

Company Strategy – Strategic Partnership

- Partnership with developers with strong cash flows and premium brand name
- Objective is to balance project development and financial risk
- Efficient financial leverage in increasing returns on capital
- As of August 31, 2008, Greentown has acquired a number of new projects through strategic partnerships
- Leverage on premium brand name and management expertise to reduce capital requirement of new projects, effectively reducing the Company's cash needs

Project	Partner
Hangzhou Jiangchun #1-2 Land	Zhejiang Daily
	Zhejiang Daily
Hangzhou Jiangchun #7 Land	Zhejiang Provincial Energy Group Company Ltd.
Hangzhou Jiangchun #10 Land	Zhejiang Railway
Xiangshan Lily Apartment	Zhoushan Rongxin Real Estate
Beijing Nanshatan Project	Zhoushan Rongxin Real Estate



Q&A