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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)

COMMENCEMENT OF TENDER OFFER AND CONSENT SOLICITATION FOR THE US\$400,000,000 9.00% SENIOR NOTES DUE 2013

This announcement is made by the Company pursuant to Rule 13.09 of the Listing Rules.

On April 21, 2009, the Company commenced the Tender Offer to purchase for cash any and all of the Notes and the Consent Solicitation.

Shareholders of the Company and potential investors are advised to exercise caution when dealing in the securities of the Company.

SUSPENSION AND RESUMPTION OF TRADING

At the request of the Company, trading in the Shares on the Stock Exchange has been suspended from 2:30 p.m. on 21 April 2009 pending the release of this announcement. Application has been made by the Company to the Stock Exchange for the resumption of trading in the Shares on the Stock Exchange with effect from 9:30 a.m. on 22 April 2009.

This announcement is made by Greentown China Holdings Limited (the “**Company**”) pursuant to Rule 13.09 of the Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited (the “**Listing Rules**”).

1. THE TENDER OFFER AND CONSENT SOLICITATION

On April 21, 2009, the Company commenced a tender offer (the “**Tender Offer**”) to purchase for cash any and all of its outstanding US\$400,000,000 9.00% Senior Notes due 2013 (the “**Notes**”). In conjunction with the Tender Offer, the Company is also soliciting (the “**Consent Solicitation**”, and together with the Tender Offer, the “**Offer**”) from the holders of the Notes (the “**Holders**”) consents (the “**Consents**”) to proposed amendments and waivers (the “**Proposed Amendments and Waivers**”) of the provisions of the indenture governing the Notes, dated as of November 10, 2006, as supplemented (the “**Indenture**”), among the Company, the Subsidiary Guarantors (as defined therein) and Deutsche Bank Trust Company Americas, as trustee (the “**Trustee**”). Unless otherwise defined herein, capitalized terms used in this announcement shall have the meanings set forth in the Indenture.

The Notes were issued on November 10, 2006 and are listed on the Singapore Exchange Securities Trading Limited. The CUSIP numbers for the Notes are G41005AA0 and 39576QAA2; the ISIN numbers for the Notes are USG41005AA09 and US39576QAA22; and the Common Code numbers for the Notes are 027459447 and 027459510. As of April 21, 2009, the outstanding principal amount under the Notes is US\$400,000,000.

The Proposed Amendments and Waivers, once effective, will eliminate or modify substantially all of the restrictive covenants, certain events of default and certain other provisions contained in the Indenture in order to provide the Company with increased financial and operating flexibility in the future, and to waive any and all actual Defaults or Events of Default that have occurred and are continuing as well as any and all potential Defaults or Events of Default that may have occurred or are continuing under the Indenture.

2. DEFAULTS OR EVENTS OF DEFAULT UNDER THE INDENTURE

Background

The Company (together with its subsidiaries, the “**Group**”) conducts its business in the People’s Republic of China (“**PRC**”) through project companies, many of which are joint ventures established under PRC law. These joint ventures are structured either as project companies which are subsidiaries of the Group, project companies in which the Group is a minority equityholder (such project companies, “**Minority Owned Entities**”) or as project companies in which the Group holds 50% of the equity interest and shares control with joint venture partners (such project companies, “**Associates**”). These joint ventures are typically initially funded by a combination of equity contributions by, and shareholder loans from, joint venture parties and are subsequently financed by bank borrowings in the PRC when construction and other development of the relevant property project commence. These banking borrowings in the PRC are generally secured by assets of the project companies, including land use rights, equipment and certain fixed assets. To optimize cash flow for the Group’s operations, the Group also accepts pre-paid distributions from pre-sale proceeds collected by project companies, including Minority Owned Entities and Associates. Pre-paid distributions are advances paid out to the Group from Minority Owned Entities and Associates and are treated as amounts due to related parties in the Company’s consolidated financial statements, and therefore, Indebtedness of the Group under the Indenture.

As a result of the anticipated delay in the completion of a number of the Group’s property projects and the adverse effect of the slowdown in the PRC property market on the Group’s consolidated net profit in 2008, in order to finance construction and other project development costs and working capital requirements for committed projects of the Group, the Group had to significantly increase its (i) bank borrowings in the PRC (therefore increasing financing charges) in 2008 and (ii) borrowings from Associates and Minority Owned Entities in the form of advances. Such Indebtedness was incurred during such period of time when the Group was unable to satisfy the Fixed Charge Coverage Ratio and/or had exceeded the amount of Indebtedness allowed as either Permitted Indebtedness or Permitted Subsidiary Indebtedness. At the same time, in connection with the Group’s historical business strategy of strategically expanding in specific regions of the PRC, the Group continued to make Investments in Associates and Minority Owned Entities, in particular, it made a significant Investment in an Associate in April and May 2008. The Company also declared and paid dividends (the “**2008 Dividends**”) in the amount of approximately HK\$492,000,000 to its shareholders in 2008.

The PRC property market has been generally weak in the first three months of 2009. To strengthen the overall liquidity of the Group, the Group entered into a trust agreement on April 14, 2009 with Zhonghai Trust Company Limited (the “**PRC Trustee**”), as trustee of the Zhonghai Greentown No. 1 Real Estate Investment Fund (the “**Trust**”), as announced by the Company in its announcement dated April 14, 2009 titled “**DISCLOSEABLE TRANSACTIONS, MAJOR TRANSACTIONS, CONNECTED TRANSACTIONS AND CONTINUING CONNECTED TRANSACTION**”, pursuant to which the Group (i) incurred Indebtedness in the form of a loan made by the Trust to Hangzhou Greentown Haiqi Real Estate Development Company Limited (“**Hangzhou Greentown**”) and a guarantee and a surety given by Greentown Real Estate Group Company Limited (“**Greentown PRC**”), (ii) purchased junior units in the Trust in an amount of RMB180,000,000 (the “**Trust Subscription Amount**”) which constitutes a Restricted Payment, (iii) consummated the equity sale by Greentown PRC to the PRC Trustee of 45% of Greentown PRC’s equity interest in Wuxi Greentown Real Estate Development Company Limited (“**Wuxi Greentown**”), and by Hangzhou Kangju Investment Management Company Limited (“**Hangzhou Kangju**”) to the PRC Trustee of 25% of Hangzhou Kangju’s equity interest in Hangzhou Greentown, respectively, for a consideration of RMB45,900,000 and RMB250,000,000, respectively (collectively, the “**Equity Sale**”) (which constituted an Asset Sale), and (iv) provided Liens in the form of equity pledges to the Trust as security under and in connection with the Trust. See the section entitled “Recent Developments-The Trust” of the Offer to Purchase and Consent Solicitation Statement (as defined below).

A supplement to the Indenture (the “**Supplemental Indenture**”) containing the Proposed Amendments and Waivers would waive any and all actual Defaults or Events of Default that have occurred and are continuing as well as any and all potential Defaults or Events of Default that may have occurred or are continuing under the Indenture directly or indirectly, from or in connection with, any non-compliance or potential non-compliance with the Indenture (including those relating to actions of the Group identified above or similar matters by the respective section references in the Indenture set out below). Such waiver requires Consents from Holders representing at least a majority of the aggregate principal amount of outstanding Notes.

A. Limitation on Indebtedness and Preferred Stock (Section 4.05)

Under Section 4.05(a) of the Indenture, the Company may incur Indebtedness and the Restricted Subsidiaries may incur Permitted Subsidiary Indebtedness if the Fixed Charge Coverage Ratio is met and certain other requirements are fulfilled. Permitted Subsidiary Indebtedness permits the Restricted Subsidiaries to incur Indebtedness up to a limit of 15% of Total Assets, subject to certain other requirements. Under Section 4.05(b)(viii) of the Indenture, if the Fixed Charge Coverage Ratio and related requirements under Section 4.05(a) of the Indenture cannot be met, the Company and its Restricted Subsidiaries are also permitted to incur certain types of Permitted Indebtedness including Indebtedness up to a limit of 15% of Total Assets, subject to certain other requirements, for the purpose of financing the purchase of assets, properties or equipment to be used in the ordinary course of business or the development, construction or improvement cost of properties or equipment to be used in the ordinary course of business.

Due to the incurrence of Indebtedness as set forth under the heading “Defaults or Events of Default under the Indenture-Background” above at a time when the Group was unable to satisfy the Fixed Charge Coverage Ratio requirement and/or exceeded the amount of Indebtedness allowed as either Permitted Subsidiary Indebtedness or Permitted Indebtedness, the Group breached the provisions of Section 4.05 of the Indenture which constitutes an Event of Default under the Indenture.

B. Limitation on Restricted Payments (Section 4.06)

Under Section 4.06 of the Indenture, the Company and Restricted Subsidiaries may make Restricted Payments, including Investments, if certain requirements are met, including ensuring the aggregate amount of such Restricted Payments do not exceed a certain threshold calculated in part on net income generated by the Company and the Restricted Subsidiaries, and for periods after April 30, 2007, being able to incur an additional US\$1.00 of Indebtedness under the Fixed Charge Coverage Ratio test in the Limitation on Indebtedness covenant. In addition, under Section 4.06(d) and (e) of the Indenture, the Company is required to comply with certain certificates and reporting obligations in connection with any Restricted Payment in excess of US\$10,000,000.

Due to the making of Restricted Payments in the form of Investments in Associates and Minority Owned Entities and the 2008 Dividends (and the breach of the corresponding certificate and reporting requirements for such Restricted Payments) and the Trust Subscription Amount as set forth under the heading “Defaults or Events of Default under the Indenture-Background” above at a time when the Group was unable to satisfy the Fixed Charge Coverage Ratio requirement, the Group breached the provisions of Section 4.06 of the Indenture which constitutes an Event of Default under the Indenture.

C. Limitation on Liens (Section 4.07(b))

Under Section 4.07(b) of the Indenture, the Company and the Restricted Subsidiaries are prohibited from incurring Liens on any of their assets or properties (other than Permitted Liens) unless the Notes are equally and ratably secured by such Liens. The Company’s Restricted Subsidiaries incorporated in the PRC (the “**PRC Subsidiaries**”) were unable to provide such Liens to Holders in connection with the incurrence of the Indebtedness as set forth in “Defaults or Events of Default under the Indenture-Background” above due to restrictions imposed by such Indebtedness and restrictions pursuant to existing PRC foreign currency regulations regarding the ability of PRC Subsidiaries to provide a lien over domestic assets to creditors of an offshore parent. Due to the incurring of these Liens, the Group breached the provisions of Section 4.07(b) of the Indenture which constitutes an Event of Default under the Indenture.

D. Limitation on Asset Sales (Section 4.13)

Under Section 4.13 of the Indenture, the Company will not and will not permit any Restricted Subsidiary to consummate any Asset Sale unless certain requirements are met including the non-existence of Defaults at the time of an Asset Sale. The Equity Sale constituted an Asset Sale. Because Defaults had occurred and were continuing at the time of the Equity Sale, the Equity Sale was not in compliance with the requirements of Section 4.13 of the Indenture which constitutes a Default under the Indenture.

E. Future Subsidiary Guarantor Chargors (Section 10.02) and Further Subsidiary Guarantors (Section 11.09)

Under Section 10.02 of the Indenture, the Company shall charge, and shall cause each person that becomes a Restricted Subsidiary (other than persons organized under the laws of the PRC) after the date of the Indenture to charge, the Capital Stock of such Restricted Subsidiary to the Holders within 30 days after such person becomes a Restricted Subsidiary. Under Section 11.09 of the Indenture, the Company shall cause each of its

future Restricted Subsidiaries (other than persons organized under the laws of the PRC) after the date of the Indenture to execute and deliver to the Trustee a Guarantee of the Notes at the time such person becomes a Restricted Subsidiary.

The Company incorporated a number of subsidiaries of Richwise Holdings Limited, an initial Subsidiary Guarantor, as holding companies in connection with the Group's expansion. These holding companies were incorporated in the British Virgin Islands and Hong Kong and did not execute the required supplemental indentures or security documents at the time of their formation. The failure to execute such supplemental indentures or security documents was not in compliance with the requirements of Section 10.02 and Section 11.09 of the Indenture, respectively, which constitutes a Default under the Indenture. All of these companies have now executed the relevant documentation providing for a Subsidiary Guarantee of the Notes. Most of these companies have also entered into the relevant documentation to provide security over the Collateral required under the Indenture. Due to a delay in locating share certificates for Hoson Investments Limited, Zhongji Group (HK) Int'l Financial Investment Limited and De He International Industrial Limited, the Company anticipates having the relevant entities enter into security documentation in connection with these three companies prior to the Consent Date (as defined below).

The foregoing summary does not purport to be comprehensive or definitive, and is qualified in its entirety by reference to the form of Supplemental Indenture to be executed between the Company, the Subsidiary Guarantors and the Trustee on or after the Consent Date (as defined below).

Adoption of the Proposed Amendments and Waivers may have substantial adverse consequence for Holders that elect not to tender Notes in the Offer because Notes outstanding after the consummation of the Offer will not be entitled to the benefit of substantially all of the restrictive covenants and certain event of default provisions presently contained in the Indenture and any current non-compliance with the Indenture including any and all actual Defaults or Events of Default that have occurred and are continuing as well as any and all potential Defaults or Events of Default that may have occurred or are continuing under the Indenture will have been waived.

3. THE OFFER

The Offer commenced today and will expire at 5:00 p.m., New York City time, on May 19, 2009 (the "**Expiration Date**"), unless otherwise extended by the Company. An appropriate announcement will be made if and when the Expiration Date is extended.

Holders who validly tender and do not withdraw their Notes on or prior to 5:00 p.m., New York City Time, on May 4, 2009 (the "**Consent Date**"), unless otherwise extended by the Company, will be eligible to receive the total consideration of US\$850 for each US\$1,000 principal amount of the Notes tendered (the "**Total Consideration**"), which consists of (i) an amount of US\$775 (the "**Purchase Price**"), (ii) an amount of US\$59, which constitutes an early tender payment (the "**Early Tender Payment**") and (iii) a consent payment of US\$16 (the "**Consent Payment**"), plus accrued and unpaid interest thereon up to, but not including, the date of payment (the "**Settlement Date**"). Holders who validly tender after the Consent Date but on or before the Expiration Date will be eligible to receive the Purchase Price only, plus accrued and unpaid interest thereon up to, but not including, the Settlement Date. Holders who do not tender their Notes but validly deliver Consents on or prior to the Consent Date, and do not validly revoke

their Consents on or prior to the Consent Date, will be eligible to receive the Consent Payment only. All holders who tender Notes pursuant to the Tender Offer will also be deemed to deliver their Consents with respect to such Notes pursuant to the Consent Solicitation. The Settlement Date on which the payment of the Total Consideration, Purchase Price, Early Tender Payment and the Consent Payment will be made is expected to occur on or about May 26, 2009.

Adoption of the Proposed Amendments and Waivers, and payment of the Consent Payment, is conditional upon, among other things, the receipt of Consents of Holders representing at least a majority in the aggregate principal amount (the “**Requisite Consents**”) of the Notes then outstanding (excluding the Notes owned by the Company or any of its affiliates).

The consummation of the Offer is subject to the receipt of the Requisite Consents and the satisfaction or waiver of the customary conditions to the Offer as set forth in the Offer to Purchase and Consent Solicitation Statement (as defined below).

The funds required for the Company to consummate the Offer will be funded from internal resources generated from declared and undeclared ordinary dividends of certain PRC Subsidiaries, proceeds from disposal of equity interests in Hangzhou Greentown and Wuxi Greentown pursuant to the Trust, as well as a partial repayment of the shareholder loans provided by the Group to Hangzhou Greentown and Wuxi Greentown. These internal resources will be remitted to the Company in the form of dividends that are funded from (i) the payment of the consideration in connection with the internal restructuring of the Group and (ii) the payment of dividends of certain PRC Subsidiaries to their parent companies, and from such parent companies to the Company. See the section with heading “Recent Developments-The Trust” and the section with heading “Recent Developments-The Restructuring” in the Offer to Purchase and Consent Solicitation Statement (as defined below).

Subject to applicable securities laws, the Company reserves the right, in its sole discretion: (i) to accept for purchase and pay for all Notes validly tendered or Consents validly received on or prior to the Consent Date or all Notes validly tendered on or prior to the Expiration Date and to keep the Offer open or extend the Consent Date or the Expiration Date to a later date and time as announced by the Company; (ii) to waive any and all conditions to the Offer (except that the receipt of the Requisite Consents is required by the Indenture for approval of the Proposed Amendments and Waivers and cannot be waived); (iii) to extend or to terminate the Offer; or (iv) to otherwise amend the Offer in any respect. Such rights reserved by the Company are in addition to rights to terminate the Offer described in “Terms of the Tender Offer and the Consent Solicitation – Conditions of the Tender Offer and the Consent Solicitation” of the Offer to Purchase and Consent Solicitation Statement (as defined below).

The terms of the Offer are more fully described in the Company’s Offer to Purchase and Consent Solicitation Statement dated April 21, 2009 (the “**Offer to Purchase and Consent Solicitation Statement**”). For additional information regarding the tender and consent delivery procedures and the conditions of the Offer, please refer to the Offer to Purchase and Consent Solicitation Statement and its related documents.

The Company has appointed Deutsche Bank AG, London Branch as the sole Dealer Manager, and Lucid Issuer Services as the Information, Consent and Tender Agent with respect to the Offer. Requests for copies of the Offer to Purchase and Consent Solicitation Statement and its related documents may be directed to the Information, Consent and Tender Agent at +852 2526 5406 (Attn: Glenda Chan) or by email to greentowninfo@lucid-is.com.hk. Any questions or requests for assistance concerning the Offer may be directed to the Dealer Manager at:

London : +44 207 545 8011
Hong Kong : +852 2203 8340
Singapore : +65 6423 8581
email : liability.management@db.com

THIS ANNOUNCEMENT IS NOT AN OFFER TO PURCHASE, A SOLICITATION OF AN OFFER TO PURCHASE, OR A SOLICITATION OF AN OFFER TO SELL, NOTES. AN OFFER MAY ONLY BE MADE PURSUANT TO THE TERMS OF THE OFFER TO PURCHASE AND CONSENT SOLICITATION STATEMENT.

The Offer is not being made to (nor will the tender of Notes and delivery of Consents for payment be accepted from or on behalf of) Holders in any jurisdiction where the making or acceptance of the Offer would not comply with the laws of such jurisdiction. If the Company becomes aware of any jurisdiction in which the making of the Offer, the tender of Notes or the delivery of Consents for payment would not be in compliance with applicable laws, the Company may or may not, in its sole discretion, make an effort to comply with any such law. If, after such effort, if any, the Company cannot comply with any such law, the Offer will not be made to (nor will tenders or Consents be accepted from or on behalf of) any Holder residing in such jurisdiction.

4. SUSPENSION AND RESUMPTION OF TRADING

At the request of the Company, trading in the Shares on the Stock Exchange has been suspended from 2:30 p.m. on 21 April 2009 pending the release of this announcement. Application has been made by the Company to the Stock Exchange for the resumption of trading in the Shares on the Stock Exchange with effect from 9:30 a.m. on 22 April 2009.

5. FORWARD-LOOKING STATEMENTS

Forward-looking statements in this announcement, including those statements relating to the Offer, such as the scheduled expiration date and the repurchase of Notes, are based on current expectations. These statements are not guarantees of future events or results. Future events and results involve some risks, uncertainties and assumptions that are difficult to predict. Actual events and results could vary materially from the description contained herein due to many factors including changes in the market and price for the Notes; changes in the business and financial condition of the Company and its subsidiaries; changes in the debt markets in general; and the occurrence of events specified in the Offer to Purchase and Consent Solicitation Statement that would trigger a condition permitting termination or amendment of the Offer.

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

Hangzhou, the PRC, April 21, 2009

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

* *For identification purpose only*