

MANAGEMENT DISCUSSION AND ANALYSIS

The year of 2006 is a year of significant importance to the Company. During the First Half of 2006, the Company has set our foothold in the international capital market, and has consolidated its leading position among other competitors in Zhejiang and continued to implement our national brandname expansion strategy. On top of our successful introduction of strategic investors in January 2006 with the issuance of convertible bonds, we scored even greater success with the listing of our shares on The Stock Exchange of Hong Kong Limited (the "Stock Exchange") on 13 July 2006.

As at 30 June 2006, the Company recorded a revenue of Rmb1,210,449,000, a year-on-year increase of 22%; our profit attributable to shareholders amounted to Rmb256,901,000, a year-on-year increase of 8%; and our basic earnings per share amounted to Rmb0.26.

Dividend

The Board endeavors to maintain a stable dividend policy for a sound financial condition for our future development. Under the principle of maximizing shareholders' interests, the Board resolves not to distribute interim dividend for the First Half of 2006. Both the Company and the Board consider that the dividend distribution policy for the whole year of 2006 as disclosed in our Prospectus will not change.

Market Review

With the speeding up the progress of urbanization and the sustainable economic development of the PRC, the real estate industry which represents a pillar industry of the national economy will find ample room of development over the next 15 to 20 years. Since the second half of 2004, in order to ensure long-term, steady and healthy development and prevent the real estate industry from "overshooting" in its growth in certain regions and cities, the PRC government adopted a number of macro-economic control policies in respect of land supplies, credit availability, taxation and industry guidance. The implementation of these policies in effect have resulted in the consolidation of the industry, and enterprises with capital, management and brand name advantages have found a better opportunity to increase their market shares. The Company stays firm with its perspective of providing quality products and superior services and continues to improve our project operation and management. For the First Half of 2006, our operations were running smoothly and thereby paving the way for us to accomplish all our targets set for the year.

Project Development

For the First Half of 2006, the Company had commenced the construction or construction in phases of 11 projects. The GFA of newly commenced projects amounted to 684,000 sq.m., of which the Company owned as to 439,000 sq.m., the breakdown of which is as follows:

Newly commenced projects as at 30 June 2006

Unit: sq.m.

	GFA of newly commenced projects	GFA of newly commenced projects attributable to the Company
Hangzhou	125,942	58,301
Other cities in Zhejiang Province	470,287	315,345
Shanghai	11,556	11,556
Beijing	42,294	33,835
Other cities of China	34,010	20,121
Total	684,089	439,158

During the same period, 4 projects had been completed and delivered to owners, and the total completed and delivered GFA amounted to 168,000 sq.m. of which the Company owned as to 134,000 sq.m., the breakdown of which as at 30 June 2006 is as follows:

Completion of projects as at 30 June 2006

1 January 2006 – 30 June 2006

Unit: sq.m.

No.	Project	Project phase	Location	Completed GFA	Interest attributable to the Company	Completed GFA attributable to the Company
1	Chunjiang Huayue	Phase III	Shangcheng District, Hangzhou, Zhejiang Province	60,192	100%	60,192
2	Taohuayuan West	(Portion)	Yuhang District, Hangzhou, Zhejiang Province	35,580	100%	35,580
3	Haining Baihe	Multi-storey Phase II	Haining, Zhejiang Province	64,590	50%	32,295
4	Beijing Baihe Apartments	Phase I (Portion)	Fangshan District, Beijing	7,984	80%	6,387
Total				168,346	N/A	134,454

According to the development plan of the Company, it is anticipated that for the 13 projects to be completed and delivered by the second half of 2006, the completed area will amount to 963,000 sq.m., of which the Company will own as to 768,000 sq.m. in GFA. So far these projects are in good progress. The stage of development of projects as at 31 August 2006 in the following list:

Projects to be completed during the second half of 2006

(1 July 2006 – 31 December 2006)

								<i>Unit: sq.m.</i>
No	Project	Project phase	Location	Estimated completed GFA during the second half of 2006	Interest attributable to the Company	Construction status as at 30 August	Estimated date of delivery	Estimated completed GFA attributable to the Company during the second half of 2006
1.	Chunjiang Huayue	Phase IV	Shangcheng District, Hanzhou, Zhejiang Province	79,457	100%	Construction of the main body and installation have been completed, 70% of the landscaping have been completed	November 2006	79,457
2.	Chunjiang Huayue	Phase V	Shangcheng District, Hanzhou, Zhejiang Province	67,806	100%	Construction of the main body and installation have been completed, 40% of the landscaping have been completed	December 2006	67,806
3.	Jiuxi Rose Garden Villa	–	Zhijiang State Travel and Holiday Area, Hangzhou, Zhejiang Province	2,836	100%	Construction of the main body has been completed, 90% of the installation has been completed, 60% of the interior decoration has been completed	November 2006	2,836
4.	Deep Blue Plaza	–	Xiacheng District, Hangzhou, Zhejiang Province	134,107	100%	Construction of main body has been completed, 90% of the installation has been completed, 60% of landscaping and interior decoration have been completed	October 2006	134,107
5.	Dingxiang Apartment	–	Xihu District, Hanzhou, Zhejiang Province	31,468	100%	Construction of the main body, installation and landscaping have been completed, 95% of interior decoration has been completed	October 2006	31,468

Projects to be completed during the second half of 2006 (Continued)

(1 July 2006 – 31 December 2006)

No	Project	Project phase	Location	Estimated completed GFA during the second half of 2006	Interest attributable to the Company	Construction status as at 30 August	Estimated date of delivery	Unit: sq.m.
								Estimated completed GFA attributable to the Company during the second half of 2006
6.	Jingui Plaza	–	Xihu District, Hangzhou, Zhejiang Province	33,776	100%	Construction of main body has been completed, 90% of the installation has been completed, 60% of interior decoration has been completed	December 2006	33,776
7.	Taohuayuan West	Portion	Yuhang District, Hangzhou, Zhejiang Province	10,285	100%	70% of construction of main body and installation have been completed, 60% of the landscaping has been completed	December 2006	10,285
8.	Zhoushan Guihua City	Phase I	Lincheng New District, Zhoushan, Zhejiang Province	153,680	100%	Construction of the main body and installation have been completed, 50% of landscaping has been completed	December 2006	153,680
9.	Hefei Guihua Garden	Portion	High and New Technological Development Zone, Hefei, Anhui	64,464	90%	Construction of main body and installation have been completed, 90% of the landscaping has been completed	October 2006	58,018
10.	Taohuayuan South	Phase I	Yuhang District, Hangzhou, Zhejiang Province	18,981	51%	Construction of main body has been completed installation has been completed, 60% of landscaping and interior decoration have been completed	December 2006	9,680
11.	Shangyu Guihua Garden	–	Baiguan Road, Shangyu, Zhejiang Province	184,839	51%	Construction of main body and installation have been completed, 80% of the landscaping has been completed	November 2006	94,268

Projects to be completed during the second half of 2006 (Continued)

(1 July 2006 – 31 December 2006)

No	Project	Project phase	Location	Estimated completed GFA during the second half of 2006	Interest attributable to the Company	Construction status as at 30 August	Estimated date of delivery	Unit: sq.m.
								Estimated completed GFA attributable to the Company during the second half of 2006
12.	Changsha Guihua	Phase I	Yuhua District, Changsha, Hunan Province	169,813	51%	Construction of the main body and installation have been completed, 60% of the landscaping has been completed	December 2006	86,605
13.	Xingjiang Rose Garden	Phase I	Shumogou District, Urumqi, Xinjiang Uygur Autonomous Region	11,073	51%	Construction of main body and installation have been completed, 100% of landscaping has been completed	September 2006	5,647
			Total	962,585				767,633

Property Sales

For the First Half of 2006, a total of approximately 286,000 sq.m. were sold/pre-sold (including customers that have executed sale and purchase agreements), and the turnover for the sold/pre-sold area amounted to approximately Rmb2.4 billion. As at 30 June 2006, of all the Company's saleable/pre-saleable properties by area, 66% has been sold/pre-sold. The Company has accomplished sales of approximately 90% of the area as estimated in our profit forecast in the Prospectus for the year of 2006.

On 13 July 2006, Shanghai Jingyu Real Property Investment Company Limited, an associated company 49% owned by the Company, entered into a property pre-sale agreement with an independent third party, whereby it was agreed that East Sea Plaza Phase I, a property under development, should be pre-sold to an independent third party at a total consideration of approximately Rmb1.95 billion. To date, procedures such as filing of the contract are being gone through.

Land Bank

Land bank replenishment is one of the key strategies of the Company for boosting our sustainable development. In the First Half of 2006, the Company has secured a plot of land by acquiring the equity interest of a project company. It is located in Jiubaozhen, Jianggan District, Hangzhou. Its total planned GFA is 100,000 sq.m. and the total planned area is 336,000 sq.m.. The Company owns 100% of the project company.

As at 30 June 2006, the Company's land bank amounted to 8.65 million sq.m. in GFA, of which the Company owned 5.94 million sq.m. in GFA; the total GFA of land for which the Company has obtained the land use rights amounted to 7.51 million sq.m., of which the Company owned as to 4.80 million sq.m. in GFA.

Land Bank (Continued)

In addition, the Company has entered into contracts or agreements of certain projects. Set forth below are the nature of the projects and the interests owned by the Company:

Unit: sq.m.

No.	Project	Phase	Location	Total site area	Total Gross Floor Area	Attributable Profit to the Company	Current Status
1.	Hangzhou Liu Zhuang Project	Phase II	Tianmushan Road, Xihu District, Hangzhou, Zhejiang Province	16,188	17,807	45%	Land Use Rights Certificate to be obtained after settlement of the land premium.
2.	Hangzhou Baochu Road Project		Baochu Road, Xihu District, Hangzhou, Zhejiang Province	25,041	46,200	75%	Tender notice has been obtained. Land Grant Contract will be signed after the approval from relevant local authorities.
3.	Shanghai Green View Project		Xinqiaozhen Songjiang District, Shanghai	360,000	432,000	60%	In communication with the government departments.
4.	Beijing Qinglongqiao Project	Phase III	Qinglongqiao Cun, Haidianxiang, Haidian District, Beijing	90,196	76,811	65%	Relocation commenced.
5.	Beijing Qinglongqiao Project	Phase IV	Qinglongqiao Cun, Haidianxiang, Haidian District, Beijing	151,044	154,996	65%	Relocation commenced.
6.	Qingdao Project		Licang District Qingdao City, Shandong Province	1,200,587	1,580,900	80%	Entity for the project development has been confirmed. The first phase of commodity property of an area of 200 mu has been confirmed. Relocation commenced.
Total				1,843,056	2,308,714	N/A	

Land Bank *(Continued)*

On 26 July 2006, Ningbo Zheda Science Park Construction Co., Ltd. ("NZSPC", and subsequently renamed Ningbo High-Tech Zone Research Garden Greentown Construction Limited), a subsidiary of the Company, entered into an agreement with the local government, pursuant to which the contract for the grant of land use rights entered into between NZSPC and the State-owned Land Bureau of Ningbo Science Park on 10 December 2003 was discharged and a compensation of Rmb20 million should be made by the government as a result. Afterwards, NZSPC duly acquired the State-owned land use rights by way of listing-for-sale. NZSPC was owned as to 60% by the Company.

On 2 August 2006, the Company entered into a strategic co-operation agreement with China Gezhouba (Group) Corporation to jointly develop the Hangzhou and Zhejiang markets by way of project joint ventures.

On 3 August 2006, the Company acquired a plot of land by way of listing-for-sale. It is located in Tonglu County, Hangzhou with a site area of 107,387 sq.m., and it is anticipated that a total of 128,864 sq.m. in GFA will be developed. The Company has established a wholly-owned subsidiary for the development and construction of the project.

Brand Building

Commitment to improving brand value is an essential component of our brand building strategy. During the First Half of 2006, the Company launched our promotion activities with the theme of "the Splendid Way of Greentown Living" and established a plan to take care of the health of Greentown residents under the name of "Angel's Plan". Our Greentown Club held a lot of highly entertaining social events and handing-over evening shows and highlighted the exemplary landscape communities and units aiming at enhancing the value attached to our brand name all-round.

In the First Half of 2006, the Company was once again ranked one of the Top 10 Property Enterprises in China in terms of overall corporate strength by Enterprise Research Institute of the Development Research Centre of the State Council, Qinghua University Real Estate Research Center and Soufun China Index Institute. We were also ranked one of Top 10 Real Estate Enterprises in China in 2006 by the City Development and Environment Research Center of the China Social Science Institute, the Federation of China National Real Estate Enterprises and the China Real Estate Enterprises Association. It has been ranked by the Zhejiang Province Association of Real Estate Properties as the No. 1 of the Top 50 Real Estate Development Enterprises of Zhejiang in 2005. Hence, both our brand name and our leading position in the industry have been further recognized and consolidated.

Business Strategies

1. We adhere to our brand name development strategy to enhance the quality of our products through innovations and improvements. We place more emphasis on the sales and marketing strategy centered around "quality experience" to improve our service quality, customer satisfaction and loyalty and to consolidate and enhance the brand name of Greentown products;
2. We shall strengthen our dynamic management of targets and implementation of plans, in particular the grasping of our project construction plans and sales plans in order that our annual operation targets can be accomplished;
3. We shall fully leverage on our overall strengths of group management and strengthen the dynamic management and guidance of our project companies so as to elevate the construction capability and operation standard of our project companies;
4. We shall take advantage of this opportune time and our overall strength in brand name, capital and management to push forward with our development strategy, in particular the land bank in Hangzhou and Zhejiang, thereby ensuring the sustainable growth as shown in our results and our enduring momentum in development;
5. We shall move further in building up and implementation of our operation risk control system and put more efforts in the research on policy and market, thereby heightening our grasping of the market;
6. By internal training and introduction of new blood, we aim at improving the quality of our human resources in order to cope with any new business environment and to meet our management requirements.

FINANCIAL ANALYSIS

The Company recorded a revenue of Rmb1,210,449,000 for the interim period of 2006, representing an increase of Rmb219,077,000, or approximately 22% from Rmb991,372,000 of the interim period of 2005. Increase in revenue was mainly attributable to the significant increase in the average selling prices of units delivered over the same period of last year. Our 2006 cost of sales was nearly the same as that of last year but our unit cost has increased. This was mainly attributable to the lower unit cost of Beijing Sunshine and Anhui Greentown, the major properties sold in the first half of 2005, whereas the land cost of Hangzhou Chunjiang Huayue and Taohuayuan, the major properties sold in the First Half of 2006, are relatively higher. Our gross profit margin rose from 31% of the interim period of last year to 43% of this period. The higher gross profit margin was attributable to the generally higher property prices over the last few years as well as the higher gross profit margin of Taohuayuan and Hangzhou Chunjiang Huayue which represented 85% of the total revenue for the period.

Other income declined from Rmb51,138,000 of the same period of last year to Rmb40,889,000 of this period. It was mainly attributable to the increase in interest income and decrease in government subsidy. Selling and administration expenses rose from Rmb120,820,000 of the same period of last year to Rmb140,346,000 of this period, or by approximately 16%. It was mainly due to the increase in salary of staff, benefit and remuneration, and our expansion also resulted in the increase of the number of our employees.

In the first half of 2005, we recorded a gain on disposal of subsidiaries that amounted to Rmb39,332,000 but we did not have such gain in the First Half of 2006.

We shared net losses of associates of Rmb9,835,000 in the First Half of 2006 because those associates had no properties delivered to the customers and therefore no revenue was recognised in the book of associates. However, in the same period of last year, we shared net profits of associates of Rmb26,845,000 because the Hangzhou Jimei Qilixiangxi Project had delivered properties to customers and recognised the corresponding revenues.

Our income tax rose from Rmb54,960,000 of the same period of last year to Rmb130,565,000 of this period, and our effective tax rate rose from 20% to 35% of this period. It is because the profit in the first half of 2005 included government subsidy and gains in the investment in associated companies, provision for taxation was not required, so that our effective taxation liabilities were lower than normal. These effects have resulted in a higher effective taxation liabilities for this period.

Taking into account all the above-mentioned analysis, comparing with the same period of last year, our revenue increased by 22% and our gross profit increased by 69%, but profit attributable to our shareholders increased from Rmb238,403,000 to Rmb256,901,000 of the last comparable period by only 8%, the reasons being the decrease in income of other operations, the decrease in gains from the disposal of subsidiaries, the decrease in the investment gains in associated companies and the increase in effective tax rate.

Financial Resources and Liquidity

At 30 June 2006, the Group's cash on hand amounted to Rmb922,999,000 (31 December 2005: Rmb859,393,000) with total borrowings of Rmb5,202,245,000 (31 December 2005: Rmb4,879,353,000). Gearing ratio, measured by net debt to equity ratio, was slightly increased from 433% as at 31 December 2005 to 556% as at 30 June 2006. Immediately after the Company's shares were listed in the Stock Exchange, the gearing ratio has dropped significantly to approximately 40%.

All borrowings, except for convertible bonds, were denominated in Renminbi, while the convertible bonds were denominated in United States Dollars.

FOREIGN EXCHANGE RISKS

Most of the Group's revenues and operating costs were denominated in Renminbi. As the proceeds from the Global Offering were received in Hong Kong Dollars, the Group is exposed to foreign exchange risks. For the First Half of 2006, the Group has recorded an exchange loss of approximately Rmb1,843,000. The Group's operating cash flow or liquidity is not subject to any exchange rate fluctuations. The Group did not enter into any foreign exchange hedging arrangements as at 30 June 2006.

EMPLOYEES

As at 30 June 2006, the Group employed a total of 1,062 employees. Employees were remunerated on the basis of their performance, experience and prevailing industry practices. The Group's remuneration policies and packages were reviewed on a regular basis. As an incentive for the employees, bonuses and cash awards may also be given to employees based on individual performance evaluation.

DIRECTORS' INTERESTS AND SHORT POSITIONS IN SHARES

The shares of the Company became listed on the Stock Exchange on 13 July 2006. As at 13 July 2006, the interests and short positions of the directors or chief executives in the shares, underlying shares and debentures of the Company or its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance (the "SFO")) as recorded in the register required to be kept by the Company pursuant to Section 352 of the SFO or as otherwise notified to the Company and The Stock Exchange of Hong Kong Limited (the "Stock Exchange") pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code") were as follows:

Name of Director	Personal interests	Family interests	Corporate interests	Other interests	Total	Approximate shareholding percentage in the Company
Mr. Song Weiping	–	68,859,000 ⁽¹⁾ ordinary shares	501,524,000 ⁽²⁾ ordinary shares	–	570,383,000 ordinary shares	43.92%
Mr. Shou Bainian	–	–	383,643,000 ⁽³⁾ ordinary shares	–	383,643,000 ordinary shares	29.54%

Notes:

- (1) Mr. Song Weiping is interested in such ordinary shares held by Wisearn Limited, a company wholly-owned by his spouse, Mrs. Xia Yibo.
- (2) Mr. Song Weiping is interested in such ordinary shares as the sole shareholder of Delta House Limited.
- (3) Mr. Shou Bainian is interested in such ordinary shares as the sole shareholder of Profitwise Limited.

Save as disclosed above, as at 13 July 2006, none of the directors or chief executives of the Company had registered any interest or short position in the shares, underlying shares or debentures of the Company or its associated corporations (within the meaning of Part XV of the SFO) that was required to be recorded pursuant to Section 352 of the SFO, or as otherwise required to be notified to the Company and the Stock Exchange pursuant to the Model Code.

SUBSTANTIAL SHAREHOLDERS' INTERESTS AND SHORT POSITIONS IN SHARES

As at 13 July 2006, the interests or short positions of every person, other than the directors or chief executives of the Company, in the shares and underlying shares of the Company as recorded in the register required to be kept by the Company pursuant to Section 336 of the SFO were as follows:

Name	Number of Ordinary Shares Held	Nature of Interest	Percentage of Shareholding in the Company
Mrs. Xia Yibo	570,383,000 ⁽¹⁾	Deemed interest, interest of a controlled corporation	43.92%
Delta House Limited	501,524,000 ⁽²⁾	Beneficial owner	38.62%
Profitwise Limited	383,643,000 ⁽³⁾	Beneficial owner	29.54%
Wisearn Limited	68,859,000 ⁽⁴⁾	Beneficial owner	5.30%
Warburg Pincus & Co.	70,000,000 ⁽⁵⁾	Interest of a controlled corporation	5.39%
Warburg Pincus IX, LLC	70,000,000 ⁽⁵⁾	Interest of a controlled corporation	5.39%
Warburg Pincus Partners LLC	70,000,000 ⁽⁵⁾	Interest of a controlled corporation	5.39%
Warburg Pincus Private Equity IX, L.P.	70,000,000 ⁽⁵⁾	Beneficial owner	5.39%
J.P. Morgan Securities Ltd.	79,738,760 ⁽⁶⁾	Beneficial owner and interests held jointly with another person	6.14%
JPMorgan Chase & Co.	80,249,260 ⁽⁶⁾	Beneficial owner, interests held jointly with another person and custodian corporation/approved lending agent	6.18%

Name	Short Position Held (ordinary shares)	Nature of Interest	Percentage of shareholding in the Company
J.P. Morgan Securities Ltd.	48,701,000	Interests held jointly with another person	3.75%
JPMorgan Chase & Co.	48,701,000	Interests held jointly with another person	3.75%

Notes:

- (1) Includes deemed interest in 68,859,000 shares held via controlled corporation, and deemed interest in 501,524,000 shares held by Delta House, a controlled corporation of her spouse, Mr. Song Weiping, duplicates to those disclosed in the section "Directors' Interests and Short Positions in Shares" above.
- (2) Interests held by Mr. Song Weiping through a controlled corporation, duplicates to those disclosed in the section "Directors' Interests and Short Positions in Shares" above.
- (3) Interests held by Mr. Shou Bainian through a controlled corporation, duplicates to those disclosed in the section "Directors' Interests and Short Positions in Shares" above.
- (4) Interests held by Mrs. Xia Yibo through a controlled corporation.
- (5) Warburg Pincus Private Equity IX, L.P. was wholly owned by Warburg Pincus Partners LLC, which was wholly owned by Warburg Pincus IX, LLC, which was wholly owned by Warburg Pincus & Co.
- (6) J.P. Morgan Securities Ltd. was a subsidiary indirectly held by JPMorgan Chase & Co.

Save as disclosed above, as at 13 July 2006, no person, other than the directors or chief executives of the Company whose interests are set out in the section headed "Directors' interests and short positions in shares" above, had registered any interest or short position in the shares and underlying shares of the Company that was required to be recorded pursuant to section 336 of the SFO.

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

Neither the Company nor any of its subsidiaries has purchased, sold or redeemed any of the Company's listed securities during the six months ended 30 June 2006.

SHARE OPTION SCHEME

The Company adopted a share option scheme (the "Scheme") on 22 June 2006. Unless otherwise cancelled or amended, the Scheme shall be valid and effective for a period of 10 years commencing on the date of adoption, after which period no further option shall be granted.

The purpose of the Scheme is to provide incentive and/or reward to Eligible Persons (as defined below) for their contribution to the Company and their continuing efforts to promote the Company's interests. Under the Scheme, the Board may in its absolute discretion select to make an offer to any directors of the Company or employees of the Group and any other person (including a consultant or advisor) who in the sole discretion of the Board has contributed or will contribute to the Group (the "Eligible Persons") to subscribe for options for such number of shares as the Board may determine at the price calculated in accordance with the higher of (i) the closing price of the shares as stated in the Stock Exchange's daily quotations sheet on the date of grant, which must be a business day; (ii) the average of the closing prices of the shares as stated in the Stock Exchange's daily quotation sheet for the five business days immediately preceding the date of grant; and (iii) the nominal value of a share. For (i) and (ii) above, the date of grant shall be taken to be the date of the Board meeting at which the grant is proposed.

No share options of the Company have been granted under the Scheme since its adoption.

CORPORATE GOVERNANCE

In the opinion of the directors, the Company has complied with the code provisions set out in the Code on Corporate Governance Practices contained in Appendix 14 of the Listing Rules throughout the First Half of 2006.

MODEL CODE FOR SECURITIES TRANSACTIONS

The Company has adopted the Model Code as set out in Appendix 10 of the Listing Rules as its code of conduct for dealings in securities of the Company by the directors. The Company has made specific enquiry of all directors of the Company and the directors confirmed that they have complied with the required standard set out in the Model Code throughout the First Half of 2006.

AUDIT COMMITTEE

The Audit Committee has reviewed the Group's unaudited interim financial statements and the interim report for the First Half of 2006. The Audit Committee comprises all of the five independent non-executive directors, namely Mr. Tsui Yiu Wa, Alec (the Chairman of the Audit Committee), Mr. Jia Shenghua, Mr. Jiang Wei, Mr. Sze Tsai Ping, Michael and Mr. Tang Shiding.

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

Hangzhou, the PRC, 5 September 2006