SUNAC CHINA HOLDINGS LIMITED
融創中國控股有限公司
(Incorporated in the Cayman Islands with limited liability)
(Stock Code: 01918)

INTERIM RESULTS ANNOUNCEMENT FOR THE SIX MONTHS ENDED 30 JUNE 2012

FINANCIAL HIGHLIGHTS

	For the six months ended 30 June (Unaudited)		
	2012 *RMB'000*	2011 *RMB'000*	**Growth**
Revenue	**4,302,350**	1,326,210	224%
Gross profit	**1,375,758**	646,063	113%
Operation profit	**1,041,477**	637,426	63%
Profit	**522,918**	317,160	65%
Profit attributable to owners of the Company	**527,427**	318,698	65%
Earnings per share			
– Basic (RMB)	**0.176**	0.106	65%
– Diluted (RMB)	**0.175**	0.106	65%

BUSINESS HIGHLIGHTS

Summary of Principal Properties

The Group has engaged in a total of 22 property development projects. The following table sets forth certain details of the Group's projects based on actual data or estimates of the Group and associated project companies as of 30 June 2012.

Project Summary as of 30 June 2012

Project	Location	Type of property product	Total site area *(sq.m.)*	Estimated aggregate GFA *(sq.m.)*	Estimated saleable/ rentable GFA *(sq.m.)*	Interest attributable to the Group	Estimated completion time
Sunac Magnetic Capital	Tianjin	High-rise apartments, retail properties, offices, serviced apartments and car parks	460,840	1,248,768	1,188,539	100%	December 2014
Sunac Mind-Land International	Tianjin	High-rise apartments, detached villas, retail properties and car parks	497,501	809,386	749,250	100%	December 2012
Sunac Central of Glorious	Tianjin	High-rise and mid-rise apartments, townhouses, retail properties and car parks	14,608	64,738	62,977	100%	October 2012
Sunac Joy Downtown	Tianjin	Retail properties	25,234	56,615	55,960	100%	Completed in June 2006
Sunac Pl Du Pantheon	Tianjin	High-rise apartments, retail properties and car parks	70,600	246,982	241,636	50%	June 2015
Sunac Glorious Mansion	Tianjin	High-rise and mid-rise apartments, retail properties and car parks	121,412	305,088	303,036	100%	December 2013
Sunac Glorious Mansion II	Tianjin	Mid-rise apartments, townhouses, detached villas, retail properties, offices and car parks	75,125	132,331	134,530	50%	2014
Sunac Central Academy	Tianjin	High-rise and mid-rise apartments, retail properties and car parks	268,425	720,646	704,983	100%	June 2016
Horizon Capital	Tianjin	High-rise apartments, townhouses, retail properties, offices, serviced apartments and car parks	111,446	385,644	385,644	49%	September 2016

Project Summary as of 30 June 2012

Project	Location	Type of property product	Total site area *(sq.m.)*	Estimated aggregate GFA *(sq.m.)*	Estimated saleable/ rentable GFA *(sq.m.)*	Interest attributable to the Group	Estimated completion time
Sunac East Fairyland	Beijing	High-rise apartments, retail properties and car parks	54,502	166,481	144,276	100%	Completed in November 2010
Sunac West Chateau	Beijing	Mid-rise apartments, retail properties and car parks	190,665	439,901	334,657	100%	December 2013
Sunac Long Beach Mansion	Beijing	Mid-rise apartments, retail properties and car parks	63,940	133,956	100,786	100%	December 2013
Wangjing Jinmao Palace	Beijing	High-rise apartments, retail properties and car parks	37,985	135,861	107,847	49%	June 2015
Yaao Jinmao Residence	Beijing	High-rise and mid-rise apartments and car parks	54,784	194,589	159,565	49%	December 2013
Sunac Olympic Garden	Chongqing	High-rise and mid-rise apartments, townhouses, detached villas, retail properties, serviced apartments, offices and car parks	1,714,366	2,577,259	2,006,301	100%	December 2014
Sunac Eton Manor	Chongqing	High-rise and mid-rise apartments, townhouses, retail properties, serviced apartments and car parks	179,204	394,428	311,350	100%	December 2014
Sunac Asia Pacific Enterprise Valley	Chongqing	High-rise apartments, retail properties, serviced apartments, offices and car parks	118,912	759,515	607,205	85%	October 2014
Sunac Swan Lake	Wuxi	High-rise and mid-rise apartments, townhouses, retail properties, serviced apartments and car parks	733,889	1,399,962	1,295,222	100%	June 2014

Project Summary as of 30 June 2012

Project	Location	Type of property product	Total site area *(sq.m.)*	Estimated aggregate GFA *(sq.m.)*	Estimated saleable/ rentable GFA *(sq.m.)*	Interest attributable to the Group	Estimated completion time
Sunac Dream of City	Wuxi	High-rise and mid-rise apartments, townhouses, retail properties and car parks	570,182	1,052,889	950,570	71%	December 2014
Comphorwood Mansion	Wuxi	High-rise apartments, detached villas, retail properties and car parks	203,070	711,063	681,064	51%	December 2017
Sunac 81	Suzhou	Townhouses, detached villas and retail properties	133,434	100,340	82,581	100%	December 2012
Sunac Royal Garden	Yixing	High-rise and mid-rise apartments, townhouses, detached villas, retail properties and car parks	268,945	465,941	397,347	100%	December 2014
Total			**5,969,068**	**12,502,382**	**11,005,327**		

INTERIM RESULTS WITH NOTES

The board of directors (the "Board") of Sunac China Holdings Limited (the "Company") is pleased to announce that the unaudited condensed consolidated financial information of the Company and its subsidiaries (collectively referred to as the "Group") for the six months ended 30 June 2012 with comparative figures for the corresponding period in 2011, as follows:

CONDENSED CONSOLIDATED STATEMENT OF INCOME

FOR THE SIX MONTHS ENDED 30 JUNE 2012

	Note	**Six months ended 30 June 2012 (Unaudited) *RMB'000***	2011 (Unaudited) *RMB'000*
Revenue	*9*	**4,302,350**	1,326,210
Cost of sales	*10*	**(2,926,592)**	(680,147)
Gross profit		**1,375,758**	646,063
Gain from re-measurement of interests in a previous associate during step acquisition		**–**	181,289
Other gain, net		**31,684**	–
Selling and marketing costs	*10*	**(195,329)**	(96,121)
Administrative expenses	*10*	**(179,684)**	(97,568)
Other income		**11,703**	6,646
Other expenses		**(2,655)**	(2,883)
Operating profit		**1,041,477**	637,426
Finance income	*11*	**13,082**	10,393
Finance costs	*11*	**(2,568)**	(180,606)
Share of losses of jointly controlled entities		**(1,607)**	–
Share of losses of associates		**(2,623)**	(6,899)
Profit before income tax		**1,047,761**	460,314
Income tax expenses	*12*	**(524,843)**	(143,154)
Profit for the period		**522,918**	317,160
Attributable to:			
– Owners of the Company		**527,427**	318,698
– Non-controlling interests		**(4,509)**	(1,538)
		522,918	317,160
Earnings per share (RMB/share)	*13*		
– Basic		**0.176**	0.106
– Diluted		**0.175**	0.106
Dividends		**–**	–

	Note	Six months ended 30 June	
		2012	2011
		(Unaudited)	(Unaudited)
		RMB'000	*RMB'000*
Profit for the period		**522,918**	317,160
Other comprehensive income			
– Disposal of available-for-sale financial assets, net of tax		**(212)**	–
Total comprehensive income for the period, net of tax		**522,706**	317,160
Total comprehensive income for the period attributable to:			
Owners of the Company		**527,215**	318,698
Non-controlling interests		**(4,509)**	(1,538)
Total comprehensive income for the period, net of tax		**522,706**	317,160

CONDENSED CONSOLIDATED BALANCE SHEET

AS AT 30 JUNE 2012

	Note	**30 June 2012 (Unaudited) *RMB'000***	31 December 2011 (Audited) *RMB'000*
Assets			
Non-current assets			
Property, plant and equipment		**30,988**	28,157
Investment properties	*3*	**551,500**	551,500
Intangible assets		**310,746**	313,841
Investments in jointly controlled entities	*4*	**97,490**	97
Investments in associates	*5*	**977,130**	979,753
Deferred income tax assets		**530,906**	424,924
Available-for-sale financial assets		**–**	10,212
		2,498,760	2,308,484
Current assets			
Properties under development		**26,689,687**	19,999,293
Completed properties held for sale		**4,737,715**	5,651,306
Amounts due from related parties		**2,180,793**	441,000
Trade and other receivables	*6*	**271,763**	451,373
Prepayments	*7*	**1,609,377**	893,995
Restricted cash		**2,189,855**	1,103,719
Cash and cash equivalents		**2,640,510**	2,763,386
		40,319,700	31,304,072
Total assets		**42,818,460**	33,612,556
Equity and liabilities			
Equity attributable to owners of the Company			
Share capital		**259,254**	259,112
Share premium		**1,785,972**	1,783,783
Other reserves		**358,597**	341,529
Retained earnings		**4,927,384**	4,666,563
		7,331,207	7,050,987
Non-controlling interests		**833,860**	354,728
Total equity		**8,165,067**	7,405,715

	Note	30 June 2012 (Unaudited) RMB'000	31 December 2011 (Audited) RMB'000
Liabilities			
Non-current liabilities			
Borrowings		**6,983,290**	9,320,700
Long-term payable		**161,843**	–
Deferred income tax liabilities		**2,310,073**	2,258,287
		9,455,206	11,578,987
Current liabilities			
Trade and other payables	8	**7,419,877**	5,212,897
Advanced proceeds from customers		**11,126,476**	5,839,974
Amounts due to related parties		**627**	66,150
Current income tax liabilities		**1,180,507**	1,254,933
Borrowings		**5,470,700**	2,253,900
		25,198,187	14,627,854
Total liabilities		**34,653,393**	26,206,841
Total equity and liabilities		**42,818,460**	33,612,556
Net current assets		**15,121,513**	16,676,218
Total assets less current liabilities		**17,620,273**	18,984,702

1. GENERAL INFORMATION

Sunac China Holdings Limited (the "Company") and its subsidiaries (together the "Group") are principally engaged in property development, property investment and property management services in the People's Republic of China (the "PRC"). The Company is an investment holding company.

The Company was incorporated in the Cayman Islands on 27 April 2007 as an exempted company with limited liability under the Companies Law, Cap 22 (Law 3 of 1961, as consolidated and revised) of the Cayman Islands and its registered office is Landmark Square, 3rd floor, 64 Earth Close, P. O. box 30592, Grand Cayman KY1-1203,Cayman Islands.

The Company's ordinary shares are listed on the Main Board of The Stock Exchange of Hong Kong Limited.

This condensed consolidated interim financial information is presented in units of Renminbi ("RMB"), unless otherwise stated. This condensed consolidated interim financial information had been approved for issue by the board of directors of the Company (the "Board") on 28 August 2012.

2. SEGMENT INFORMATION

Management has determined the operating segments based on the reports reviewed by the chief operating decision-maker that are used to make strategic decisions.

Management regularly reviews the operating results by property development projects and the property management service business. As property development projects are all located in the PRC, their revenue are primarily derived from the sales of, and are related and subject to common risks and returns, all property development projects are aggregated into a single reportable segment in accordance with HKFRS 8 "Operating segments".

The analysis of the Group's revenue and results by segment is as follows:

	Six months ended 30 June 2012		
	Property development and investment	**Property management services**	**Total**
	RMB'000	*RMB'000*	*RMB'000*
Total segment revenue	**4,211,605**	**90,745**	**4,302,350**
Cost of sales	**(2,825,865)**	**(100,727)**	**(2,926,592)**
Segment results	**1,385,740**	**(9,982)**	**1,375,758**
Segment income/(expenses):			
– Gain from acquisition of a new subsidiary	**31,684**	**–**	**31,684**
– Selling and marketing costs	**(195,329)**	**–**	**(195,329)**
– Administrative expenses	**(171,131)**	**(8,553)**	**(179,684)**
– Other income	**10,673**	**1,030**	**11,703**
– Other expenses	**(2,446)**	**(209)**	**(2,655)**
– Finance income	**13,081**	**1**	**13,082**
– Finance costs	**(2,361)**	**(207)**	**(2,568)**
– Share of losses of jointly controlled entities	**(1,607)**	**–**	**(1,607)**
– Share of losses of associates	**(2,623)**	**–**	**(2,623)**
Profit/(loss) before income tax	**1,065,681**	**(17,920)**	**1,047,761**

	Six months ended 30 June 2011		
	Property development and investment	Property management services	Total
	RMB'000	*RMB'000*	*RMB'000*
Total segment revenue	1,269,247	56,963	1,326,210
Cost of sales	(631,978)	(48,169)	(680,147)
Segment results	637,269	8,794	646,063
Unallocated income/(expenses):			
– Gain from re-measurement of interests in a previous associate during step acquisition	181,289	–	181,289
– Selling and marketing costs	(96,118)	(3)	(96,121)
– Administrative expenses	(89,663)	(7,905)	(97,568)
– Share of losses of associates	(6,899)	–	(6,899)
– Other income	5,809	837	6,646
– Other expenses	(2,804)	(79)	(2,883)
– Finance income	10,393	–	10,393
– Finance costs	(180,606)	–	(180,606)
Profit before income tax	458,670	1,644	460,314

The analysis of the Group's assets and liabilities by segment is as follows:

	30 June 2012		
	Property development and investment	**Property management services**	**Total**
	RMB'000	***RMB'000***	***RMB'000***
Total assets per the balance sheet	**42,760,971**	**57,489**	**42,818,460**
Including:			
Investments in associates	**977,130**	**–**	**977,130**
Investment properties	**551,500**	**–**	**551,500**
Investments in jointly controlled entities	**97,490**	**–**	**97,490**
Total liabilities per the balance sheet	**34,539,054**	**114,339**	**34,653,393**

	31 December 2011		
	Property development and investment	Property management services	Total
	RMB'000	*RMB'000*	*RMB'000*
Total assets per the balance sheet	33,574,849	37,707	33,612,556
Including:			
Investment in associates	979,753	–	979,753
Investment properties	551,500	–	551,500
Investment in jointly controlled entities	97	–	97
Total liabilities per the balance sheet	26,130,472	76,369	26,206,841

3. INVESTMENT PROPERTIES

	As at 30 June 2012 *RMB'000*	As at 31 December 2011 *RMB'000*
At beginning of period/year	**551,500**	583,500
Transfer from completed properties held for sale	**–**	43,900
Loss from fair value measurement	**–**	(75,900)
At end of period/year	**551,500**	551,500

The following amounts have been recognised in the profit or loss:

	Six months ended 30 June 2012 *RMB'000*	Six months ended 30 June 2011 *RMB'000*
Rental income	**8,261**	8,972

The valuations were performed based on current prices in an active market for the investment properties.

The Group's interests in investment properties are all located in the PRC and are stated at their fair values as analysed below:

	As at 30 June 2012 *RMB'000*	As at 31 December 2011 *RMB'000*
Outside Hong Kong, held on:		
Leases of between 10 to 50 years	**551,500**	551,500

Some of the investment properties are leased to tenants under long-term operating leases. Minimum rentals receivable under non-cancellable operating leases of investment properties which are not recognised in the financial statements are as follows:

	As at 30 June 2012 *RMB'000*	As at 31 December 2011 *RMB'000*
Within 1 year	**18,672**	18,603
Later than 1 year but no later than 5 years	**67,390**	68,688
Later than 5 years	**137,471**	145,474
	223,533	232,765

As at 30 June 2012, certain investment properties with balance totalling RMB207 million were pledged as collateral for the Group's borrowings (as at 31 December 2011: RMB207 million).

4. INVESTMENTS IN JOINTLY CONTROLLED ENTITIES

	30 June 2012 *RMB'000*	31 December 2011 *RMB'000*
Equity investments in jointly controlled entities	**97,490**	97

An analysis of the movement of equity investments in jointly controlled entities is as follows:

	30 June 2012 *RMB'000*	31 December 2011 *RMB'000*
At beginning of period/year	**97**	178,540
Jointly controlled entity becoming subsidiary	**–**	(178,540)
Investment in new jointly controlled entities *(Note (a))*	**99,000**	–
Share of (losses)/profits of jointly controlled entities	**(1,607)**	97
At end of period/year	**97,490**	97

Note (a):

(1) On 18 January 2012, Beijing Sunac Hengji Real Estate Development Co., Ltd. ("Beijing Sunac Hengji") and Sunac Ao Cheng, together with a third party investor, established a new jointly controlled entity, Beijing Franshion Sunac Real Estate Development Co., Ltd. ("Franshion Sunac"), to develop the Beijing Laiguangying project, for which the land use right was secured at the cost of about RMB3,167 million in December 2011. The Group has a 49% equity interest in Franshion Sunac for a total investment of registered capital of RMB49 million. As at 30 June 2012, the Group has also provided an interest-free loan of RMB1,527 million, which has been recorded in Amount due from related parties in the condensed consolidated interim balance sheet of the Company.

(2) On 28 March 2012, Tianjin Sunac Dingsheng Land Co., Ltd. ("Sunac Dingsheng"), a wholly owned subsidiary of the Company, entered into an agreement with a third party investor to establish a new property development project company, Tianjin Beitang Sunac Investment Co., Ltd. ("Beitang Sunac"), in Tianjin, the PRC, pursuant to which, Sunac Dingsheng and the third party investor jointly control the entity. The Group has a 50% equity interest in Beitang Sunac for an investment of registered capital of RMB50 million. Beitang Sunac will develop a new property project in Tianjin; the total cost of the land use rights for the project is RMB577.6 million, of which the land use rights of RMB362.6 million were acquired in the six months ended 30 June 2012 and the land use rights of RMB215 million were acquired in July 2012. As at 30 June 2012, the Group has provided an interest-free loan of RMB78 million, which has been recorded in Amount due from related parties in the condensed consolidated interim balance sheet of the Company.

The Group's interests in its jointly controlled entities for the six months ended 30 June 2012 are as follows:

	Place of incorporation	**Assets** *RMB'000*	**Liabilities** *RMB'000*	**Revenue** *RMB'000*	**Loss** *RMB'000*	**Interest** *%*
APEV Property Management Co., Ltd. ("APEV PM")	PRC	123	1,697	1,571	(132)	40
Beitang Sunac	PRC	146,530	96,575	–	(45)	50
Franshion Sunac	PRC	1,606,252	1,558,140	–	(1,430)	49
		1,752,905	1,656,412	1,571	(1,607)	

5. INVESTMENTS IN ASSOCIATES

	As at 30 June 2012 *RMB'000*	As at 31 December 2011 *RMB'000*
Investments in associates	**977,130**	979,753

An analysis of the movement of equity investments in associates is as follows:

	As at 30 June 2012 *RMB'000*	As at 31 December 2011 *RMB'000*
At beginning of period/year	**979,753**	297,775
Dividend received from associates	**–**	(181,090)
Associates becoming subsidiaries	**–**	(106,860)
Investment in a new associate	**–**	980,000
Share of losses of associates	**(2,623)**	(10,072)
At end of period/year	**977,130**	979,753

The Group's interests in its associates for the six months ended 30 June 2012 are as follows:

	Place of incorporation	**Assets** *RMB'000*	**Liabilities** *RMB'000*	**Revenue** *RMB'000*	**Loss** *RMB'000*	**Interest** *%*
Tianjin Poly Sunac Investment Company Ltd. ("Poly Sunac")	PRC	1,559,823	582,698	–	(2,623)	49

6. TRADE AND OTHER RECEIVABLES

	As at 30 June 2012 *RMB'000*	As at 31 December 2011 *RMB'000*
Trade receivables *(Note (a))*	**5,430**	39,058
Notes receivables *(Note (a))*	**10,612**	49,991
Other receivables		
– Deposits for projects	**118,105**	238,863
– Deposits for guarantee provided for customers' bank loans	**84,324**	32,447
– Deposits for land use right tendering	**30,000**	50,000
– Others	**23,292**	41,014
	271,763	451,373

Note:

(a) The aging analysis of the Group's trade and notes receivables is as follows:

	As at 30 June 2012 *RMB'000*	As at 31 December 2011 *RMB'000*
Within 90 days		
– Trade receivables	**5,430**	39,058
– Notes receivables	**10,612**	49,991

(b) As at 30 June 2012 and 31 December 2011, the fair value of other receivables approximated their carrying amounts.

(c) The carrying amounts of the Group's trade and other receivables are all denominated in RMB.

7. PREPAYMENTS

	As at 30 June 2012 *RMB'000*	As at 31 December 2011 *RMB'000*
Prepaid taxes	**1,163,031**	787,689
Prepayments for land use rights acquisition	**377,200**	100,000
Prepayments of project development costs	**69,146**	6,306
	1,609,377	893,995

The carrying amounts of the Group's prepayments are all denominated in RMB.

8. TRADE AND OTHER PAYABLES

	As at 30 June 2012 *RMB'000*	As at 31 December 2011 *RMB'000*
Trade payables	**3,331,792**	3,132,703
Notes payables	**236,190**	–
Other taxes payable	**1,741,898**	1,620,203
Other payables	**809,381**	218,979
Payable to non-controlling interests	**862,975**	–
Dividends payable	**235,617**	–
Payable for consideration of prior years' equity acquisition	**152,415**	152,415
Payroll and welfare payables	**26,609**	88,597
Current portion of long-term payable	**23,000**	–
	7,419,877	5,212,897

The ageing analysis of the Group's trade payables is as follows:

	As at 30 June 2012	As at 31 December 2011
	RMB'000	*RMB'000*
Within 90 days	**2,400,037**	1,656,060
90-180 days	**179,038**	636,329
180-365 days	**213,957**	208,961
Over 365 days	**538,760**	631,353
	3,331,792	3,132,703

9. REVENUE

	Six months ended 30 June	
	2012	2011
	RMB'000	*RMB'000*
Sales of properties	**4,203,344**	1,260,275
Property management service income	**90,745**	56,963
Rental income	**8,261**	8,972
	4,302,350	1,326,210

10. EXPENSES BY NATURE

	Six months ended 30 June	
	2012	2011
	RMB'000	*RMB'000*
Cost of properties sold:		
– Construction costs	**1,345,470**	383,702
– Land use rights costs	**1,074,365**	160,297
– Business taxes	**235,021**	69,734
– Capitalised interests	**160,775**	16,693
– Other costs	**110,961**	49,721
Advertisement and promotion costs	**138,646**	71,428
Staff costs	**95,975**	63,469
Impairment provision for car parks	**60,000**	2,900
Office and travel expenses	**26,632**	16,052
Other tax expenses	**19,425**	12,836
Entertainment expenses	**12,831**	10,321
Depreciation and other amortisation	**7,928**	6,750
Consulting expenses	**5,511**	3,281
Others	**8,065**	6,652
Total cost of sales, selling and marketing costs and administrative expenses	**3,301,605**	873,836

11. FINANCE INCOME AND FINANCE COSTS

	Six months ended 30 June 2012 RMB'000	2011 RMB'000
Finance income		
– Interest income on bank deposits	**(13,082)**	(10,393)
Finance costs		
Interest expenses on		
– Bank borrowings	**367,142**	149,643
– Borrowings from non-bank financial institutions	**351,112**	131,404
– Borrowings from third parties	**87,379**	50,486
	805,633	331,533
Other finance costs	**201**	38,508
	805,834	369,041
Less: Capitalised interests	**(803,266)**	(189,435)
	2,568	180,606

12. INCOME TAX EXPENSES

	Six months ended 30 June 2012 RMB'000	2011 RMB'000
Corporate income tax charge ("CIT")		
– Current income tax	**348,727**	121,830
– Deferred income tax	**(178,239)**	(37,401)
	170,488	84,429
LAT	**354,355**	58,725
	524,843	143,154

(a) CIT

The tax on the Group's profit before tax differs from the theoretical amount that would arise using the weighted average tax rate applicable to profits of the consolidated entities as follows:

	Six months ended 30 June 2012 RMB'000	2011 RMB'000
Profit before income tax	**1,047,761**	460,314
Income tax calculated at statutory rate	**261,940**	115,079
LAT deduction	**(88,589)**	(14,682)
Income not subject to tax	**(15,618)**	(34,784)
Non-deductible expenses	**7,213**	10,098
Others	**5,542**	8,718
	170,488	84,429

Pursuant to the applicable rules and regulations of Cayman Islands and British Virgin Islands ("BVI"), the Company and the BVI subsidiaries of the Group are not subject to any income tax in those jurisdictions.

No provision for Hong Kong profits tax has been made, as the Group does not have any assessable profits in Hong Kong for the six months ended 30 June 2012.

The income tax provision of the Group in respect of operations in the PRC has been calculated at the applicable tax rate of 25% and the estimated assessable profits for the six months ended 30 June 2012 based on existing legislations, interpretations and practices.

In accordance with the PRC Corporate Income Tax Law, a 10% withholding income tax is levied on dividends declared to foreign investors from the enterprises with foreign investments established in the Mainland China. The Group is therefore liable to withholding taxes on dividends distributable by those subsidiaries established in Mainland China in respect of their earnings generated from 1 January 2008.

(b) LAT

PRC LAT is levied at progressive rates ranging from 30% to 60% on the appreciation of land value, being the proceeds of sales of properties less deductible expenditures including lease charges for land use rights and all property development expenditures. LAT is included in the profit or loss as income tax expense.

13. EARNINGS PER SHARE

(a) Basic

Basic earnings per share are calculated by dividing the profit attributable to owners of the Company by the weighted average number of ordinary shares in issue during the period.

	Six months ended 30 June	
	2012	2011
Profit attributable to owners of the Company *(RMB'000)*	**527,427**	318,698
Weighted-average number of ordinary shares in issue *(thousand)*	**3,000,144**	3,000,000

(b) Diluted

Diluted earnings per share is calculated by adjusting the weighted average number of ordinary shares outstanding to assume conversion of all dilutive potential ordinary shares. The Company has one category of dilutive potential ordinary shares: share options. For the share options, a calculation is done to determine the number of shares that could have been acquired at fair value (determined as the average annual market share price of the Company's shares) based on the monetary value of the subscription rights attached to outstanding share options. The number of shares calculated as above is compared with the number of shares that would have been issues assuming the exercise of the share options.

	Six months ended 30 June	
	2012	2011
Profit attributable to owners of the Company *(RMB'000)*	**527,427**	318,698
Weighted-average number of ordinary shares in issue *(thousand)*	**3,000,144**	3,000,000
Adjusted for share options *(thousand)*	**15,558**	–
Weighted-average number of ordinary shares for diluted earnings per share *(thousand)*	**3,015,702**	3,000,000

14. **DIVIDENDS**

A final dividend for the year ended 31 December 2011, amounting to a total RMB235,617,000 (RMB0.0785 per share), has been declared pursuant to the ordinary resolution approved at the annual general meeting of the Company held on 18 May 2012. As at 30 June 2012, this dividend had not been paid.

No interim dividend for the six months ended 30 June 2012 was declared (six months ended 30 June 2011: nil).

15. **EVENTS AFTER THE BALANCE SHEET DATE**

(a) On 22 June 2012, Sunac Zhidi, a wholly owned subsidiary of the Company, entered into a Cooperation Framework Agreement with Greentown Real Estate Group Co., Ltd. ("Greentown Real Estate"), a third party of the Company, pursuant to which, Sunac Zhidi agreed to acquire an effective 50% of Greentown Real Estate's interests in eight property development companies through a new joint venture company to be established with Greentown Real Estate, and to directly acquire 50% equity interest in another Greentown Real Estate's wholly owned project development company. The total investment amount, subject to adjustment, is approximately RMB3,372.06 million, which will be invested in equity interests and shareholder's loan to the target companies.

(b) On 11 July 2012, the wholly owned subsidiary of the Company, Sunac Zhidi, signed an agreement with the third party shareholder of Chongqing Yatai and APEV PM at a total consideration of RMB52,575,000. Currently Chongqing Yatai is a 85% owned subsidiary of Sunac Zhidi and APEV PM is a 45% owned jointly controlled entity of Sunac Zhidi. Upon completion of the transaction, Chongqing Yatai will become a wholly owned subsidiary and APEV PM will become a 60% owned subsidiary of Sunac Zhidi respectively.

MANAGEMENT DISCUSSION AND ANALYSIS

Financial Review

Revenue

In the six months ended 30 June 2012, the Group still focused on development of real estate properties in six cities of the PRC, namely Beijing, Tianjin, Chongqing, Wuxi, Suzhou and Yixing. The Group continued to deliver a solid performance, achieving satisfactory growth in its core businesses. The revenue of the Group was substantially generated from sales of residential and commercial properties for the six months ended 30 June 2012, with a minor portion of the Group's revenue derived from rental investment properties located in Tianjin and income from property management service business.

The revenue of the Group increased by RMB2,976.2 million, or 224.4%, from RMB1,326.2 million for the six months ended 30 June 2011 to RMB4,302.4 million for the corresponding period in 2012.

The following table shows certain details of the revenue of the Group:

	Six months ended 30 June			
	2012		2011	
	RMB'000	**%**	*RMB'000*	%
Sales of properties	**4,203,344**	**97.7**	1,260,275	95.0
Income from property-management services	**90,745**	**2.1**	56,963	4.3
Rental income from investment properties	**8,261**	**0.2**	8,972	0.7
Total	**4,302,350**	**100.0**	1,326,210	100.0
Total gross floor area ("GFA") delivered (sq.m)	**262,434**		83,174	

The increase in sales of properties was primarily due to a 215.5% increase in the GFA delivered from 83,174 sq.m. for the six months ended 30 June 2011 to 262,434 sq.m. for the corresponding period in 2012.

Cost of sales

Cost of sales of the Group increased to RMB2,926.6 million for the six months ended 30 June 2012 from RMB680.1 million for the corresponding period in 2011, which was primarily due to (i) the GFA of the properties delivered in the period increased significantly, and (ii) the impact of the acquisition of equity interests in Beijing Sunac Hengji. In September 2011, the Group acquired the outstanding 50% equity interest of Beijing Sunac Hengji, previously an associate of the Group. According to requirements of the HKFRSs, the properties of Beijing Sunac Hengji was remeasured at fair value at the acquisition date in the Company's consolidated financial statements. The amortization of the valuation surplus totaling RMB442.2 million for the six months ended 30 June 2012 was included in the Group's cost of sales for the period.

Gross profit

The gross profit of the Group increased by RMB729.7 million, or 112.9%, from RMB646.1 million for the six months ended 30 June 2011 to RMB1,375.8 million for the corresponding period in 2012. The gross profit margin decreased from 48.7% for the six months ended 30 June 2011 to 32.0% for the corresponding period in 2012, which was mainly due to (i) the impacts of the acquisition of equity interest in Beijing Sunac Hengji (as mentioned in "Cost of sales" section). Excluding the impact of the equity interest acquisition, the gross profit margin of the Group was 42.3% for the six months ended 30 June 2012; (ii) the variety of types of property product delivered in the six months ended 30 June 2012, such as high-rise and mid-rise apartments; While in the corresponding period in 2011, the properties delivered were mainly retail properties, offices, serviced apartments of Sunac Magnetic Capital and detached villas of Sunac 81. The gross profit margin of these property products are usually higher than other property products.

Selling and marketing costs

The selling and marketing costs of the Group rose to RMB195.3 million for the six months ended 30 June 2012 from RMB96.1 million for the corresponding period in 2011, which was primarily due to (i) an increase of two subsidiaries newly acquired in late 2011 and early 2012 (Beijing Sunac Hengji and Wuxi Greentown Hubin Real Estate Co., Ltd. ("Greentown Hubin")), the selling and marketing costs of these two subsidiaries amounting to RMB46.4 million was included in the profit or loss for the six months ended 30 June 2012; (ii) in order to achieve an expected high pre-sale/sale performance, the Group made more efforts on marketing and brand publicity activities to promote property sales. The proportion of selling and marketing cost to the total amount of new sale contracts signed during the six months ended 30 June 2012 was 1.6%, as compared with that of 1.4% in the corresponding period in 2011.

Administrative expenses

The Group's administrative expenses increased to RMB179.7 million for the six months ended 30 June 2012 from RMB97.6 million for the corresponding period in 2011, which was in line with the higher sales for the six months ended 30 June 2012.

Other income

The Group's other income increased by RMB5.1 million from RMB6.6 million for the six months ended 30 June 2011 to RMB11.7 million for the corresponding period in 2012. The increase in other income was primarily attributable to an amount of RMB10.0 million of government grants that the Group received in the six months ended 30 June 2012, while there was no such grants received in the comparative period. Such increase was partially off-set by a decrease of RMB4.5 million in investment income.

Operating profit

The Group's operating profit increased significantly by RMB404.1 million, or 63.4%, from RMB637.4 million for the six months ended 30 June 2011 to RMB1,041.5 million for the corresponding period in 2012, which was primarily contributed from (i) an increase of RMB729.7 million in gross profit; (ii) a decrease of RMB181.3 million in gain from re-measurement of interests in a previous associate during step acquisition, which was primarily from the step acquisition of additional equity interests in the jointly controlled entity, Chongqing Yatai Shiye Real Estate Development Co., Ltd. ("Chongqing Yatai"), in January 2011; (iii) the net gain of RMB31.7 million on acquisition of 51% equity interests in the new subsidiary, Greentown Hubin in January 2012; and (iv) an increase of RMB121.3 million in operating expenses.

Finance income and finance costs

The Group's finance income increased from RMB10.4 million for the six months ended 30 June 2011 to RMB13.1 million for the corresponding period in 2012, which was mainly due to the average bank deposits balances increased during the six months ended 30 June 2012. The finance costs charged to the profit or loss decreased by RMB178.0 million from RMB180.6 million for the six months ended 30 June 2011 to RMB2.6 million for the corresponding period in 2012, as most of the finance costs have been capitalized in development costs of the properties.

Share of loss of jointly controlled entities

The Group's share of loss of jointly controlled entities amounted to RMB1.6 million for the six months ended 30 June 2012, which was primarily due to the loss from Beijing Franshion Sunac Real Estate Development Co., Ltd. ("Franshion Sunac") and Tianjin Beitang Sunac Investment Co., Ltd. ("Beitang Sunac"). These two jointly controlled entities were newly established in January 2012 and March 2012, respectively. The Group had no jointly controlled entities for the six months ended 30 June 2011.

Share of loss of associates

The Group's share of loss of associates amounted to RMB2.6 million for the six months ended 30 June 2012, which was primarily due to the loss from Poly Sunac, an associate established in September 2011. The share of loss of RMB6.9 million for the corresponding period in 2011 was from another associate at that time, Beijing Sunac Hengji, which became a subsidiary of the Group through an acquisition in September 2011.

Profit

As a result of the foregoing, the Group's profit for the six months ended 30 June 2012 increased 64.9% to RMB522.9 million against RMB317.2 million for the corresponding period in 2011.

The following table shows the profit attributable to owners of the Company and non-controlling interests respectively as of the dates indicated:

	Six months ended 30 June	
	2012	2011
	RMB'000	*RMB'000*
Profit/(loss) for the period	**522,918**	317,160
Attributable to:		
Owners of the Company	**527,427**	318,698
Non-controlling interests	**(4,509)**	(1,538)
	522,918	317,160

Non-controlling interests

As at 30 June 2012, the non-controlling interests of the Group amounted to RMB833.9 million (as at 31 December 2011: RMB354.7 million):

(1) On 5 January 2012, the Group acquired 51% equity interests of Greentown Hubin from a third party, and it became a subsidiary of the Group. As at 30 June 2012, the non-controlling interests of the 49% equity interest in Greentown Hubin held by minority shareholders amounted to RMB53.8 million.

(2) On 21 March 2012, an independent third party, Daye Trust Co., Ltd. acquired 49.5586% equity interest of a former wholly owned subsidiary of the Group, Tianjin Sunac Mingxiang Investment Development Co., Ltd. ("Sunac Mingxiang"). As at 30 June 2012, the equity attributable to the non-controlling interests of Sunac Mingxiang amounted to RMB404.2 million.

(3) The non-controlling interests of the 15% equity interest in Chongqing Yatai held by minority shareholders amounted to RMB140.8 million (as at 31 December 2011: RMB141.7 million).

(4) The equity attributable to the non-controlling interests of Wuxi Sunac City Construction Co., Ltd. amounted to RMB240.0 million (as at 31 December 2011: RMB235.1 million).

Cash position

The Group operates in a capital intensive industry and have historically financed, and expect to continue to finance, its working capital, capital expenditures and other capital requirements through proceeds from pre-sales and sale of properties, borrowings from commercial banks and other parties, capital contributions from shareholders and new share issuances. The Group's short-term liquidity requirements relate to servicing its debt and funding its working capital requirements, and the Group's sources of short-term liquidity include cash balances, proceeds from pre-sales and sales of properties and new borrowings. The Group's long-term liquidity requirements relate to funding the development of its new property projects/phases and repaying its long-term debt. The Group's sources of long-term liquidity include proceeds from pre-sales and sales of properties, borrowings, capital contributions from shareholders and share issuances.

The Group's cash and cash equivalents (including restricted cash) increased by RMB963.3 million or 24.9%, to RMB4,830.4 million as of 30 June 2012, from RMB3,867.1 million as of 31 December 2011.

This increase was principally attributable to (i) the net cash inflow of RMB2,952.3 million in operating activities; (ii) the net cash outflow of RMB1,702.4 million in investing activities which was mainly due to the net outflow of RMB1,692.9 million in investing associates and jointly controlled entities; and (iii) the net cash outflow of RMB1,372.8 million in financing activities.

The directors of the Company (the "Directors") believe that both the working capital and financial resources are sufficient to secure the business growth in foreseeable future.

Borrowing and collateral

The Group had total borrowings of RMB12,454.0 million as at 30 June 2012. Comparing to RMB11,574.6 million as of 31 December 2011, the increase of RMB879.4 million was mainly due to the borrowings in relation to the acquisition of Greentown Hubin, the total borrowings of which at the acquisition date was RMB1,290.0 million. Excluding this impact, the total borrowings of the Group actually decreased by RMB410.6 million.

As at 30 June 2012, the Group's borrowings totaling RMB12,408.0 million (as at 31 December 2011: RMB11,528.6 million) were secured or jointly secured by the Group's properties under development, completed properties held for sale and investment properties totaling RMB20,187.7 million (as at 31 December 2011: RMB14,658.0 million), certain equity interests of the Group's subsidiaries (including those legally transferred as collateral).

Net debt to total assets ratio and gearing ratio

Net debt to total assets ratio is calculated as net debt divided by total assets. Net debt is calculated as total borrowings (including current and long-term borrowings) less cash and cash equivalents. The net debt to total assets ratio of the Group decreased from 22.9% as at 31 December 2011 to 17.8% as at 30 June 2012.

Gearing ratio is calculated as net debt divided by total capital. Total capital is calculated as total equity plus net debt. The gearing ratio of the Group decreased from 51.0% as at 31 December 2011 to 48.5% as at 30 June 2012.

Decreases in both net debt to total assets ratio and gearing ratio were due to increased cash and cash equivalents and total assets.

Interest rate risk

As the Group does not have significant interest-bearing assets, the Group's interest rate risk mainly arises from long-term borrowings. Borrowings at floating rates expose the Group to cash flow interest rate risk. Borrowings issued at fixed rates expose the Group to fair value interest rate risk.

The table below sets out the Group's exposure to interest rate risks. Included in the tables are the liabilities at carrying amounts, categorized by maturity dates.

	At 30 June 2012 ***RMB'million***	At 31 December 2011 *RMB'million*
Floating rates		
Less than 1 year	**3,156**	1,067
1 to 5 years	**5,378**	6,083
Sub-total	**8,534**	7,150
Fixed rates		
Less than 1 year	**2,315**	1,187
1 to 5 years	**1,605**	3,238
Sub-total	**3,920**	4,425
Total	**12,454**	11,575

As at 30 June 2012, the Group did not use any interest rate swaps to hedge its exposure to interest rate risk. The Group analyzes its interest rate exposure monthly by considering refinancing, renewal of existing positions and alternative financing.

Foreign exchange risk

The Group conducts its business principally in Renminbi, since all of the operating entities are based in the PRC. As at 30 June 2012, most of the operating entities' assets and liabilities were denominated in Renminbi and in the opinion of the Directors, these entities did not have significant foreign currency risk exposure. The Group will closely monitor and manage its exposure to fluctuation in foreign exchange rates.

Contingent Liabilities

The Group has arranged bank financing for certain purchasers of property units and provided guarantees to secure the obligations of such purchasers for repayment of their mortgage loans. As at 30 June 2012 the amount is RMB2,502.2 million compared with RMB1,975.7 million as at 31 December 2011.

Such guarantees terminate upon the earlier of (i) the issuance of the Property Ownership Certificate and the property encumbrance certificate, which generally takes place within an average period of two to three years after completion of the guarantee registration; and (ii) the satisfaction of obligations under the mortgage loans by the purchasers. The Group's guarantee period starts from the dates of grant of the mortgage.

BUSINESS REVIEW AND OUTLOOK

Review of the first half of 2012

In the first half of 2012, the economic environment became more complicated. Although the Government has adopted a series of stimulative measures to maintain the steady growth of the economy, it did not loosen the control over the property market. Against such background, with our vigorous marketing capability and the reasonable product positioning, the Company benefited from the favorable growth momentum of sales since last year and achieved its operational targets set at the beginning of this year. Meanwhile, the Company acquired parcels of land through equity cooperation and from the public market, enriching its land bank. We successfully entered into Shanghai market, formulating a strategic coverage over Beijing, Tianjin, Shanghai and Chongqing.

Operating revenue and profit highlight

In the first half of 2012, the revenue and profit of the Company increased significantly as compared with the corresponding period in 2011, of which, the revenue increased by RMB2,976.1 million as compared with the corresponding period of last year to RMB4,302.3 million and the profit increased by RMB205.7 million as compared with the corresponding period of last year to RMB522.9 million.

Sales highlights

In the first half of 2012, the Company, through adherence to strategy of focusing on regional development and pursuing high-end property, over-fulfilled its planned objectives for the first half of 2012. The Group's sales amount was RMB12.5 billion for the first half of the year. Selling expenses and administrative expenses were also maintained at reasonable levels. The proportions of the above expenses to sales amount were 1.6% and 1.4% respectively. The Company believes all of our projects are located in premium locations of various cities and occupy rare resources. With clear positioning and targeting at high-income customer groups in the cities, the Company would be able to implement its sales plan.

Land acquisitions and project companies acquisitions highlight in the reporting period

The Group has adopted a prudent and reasonable approach in expanding its land reserves:

On 5 January 2012, Tianjin Sunac Zhidi Co., Ltd. ("Sunac Zhidi") agreed to enter into an equity transfer agreement with Greentown Real Estate Group Co., Ltd. ("Greentown Real Estate"), a wholly-owned subsidiary of Greentown China Holdings Limited ("Greentown China"), pursuant to which Sunac Zhidi acquired 51% equity interest in Greentown Hubin, at a consideration of RMB51 million.

On 22 June 2012, Sunac Zhidi entered into a cooperation framework agreement with Greentown Real Estate, pursuant to which Sunac Zhidi agreed to acquire an effective 50% interest in eight project companies by way of the establishment of the joint venture company (the "JV Company"), and directly acquire an effective 50% interest in a project company, at an aggregate consideration of RMB3,372,058,712, which will be invested in equity interests and shareholder's loans to the target companies. Details of the cooperation framework agreement are set out in the announcement of the Company dated 22 June 2012.

In the first half of 2012, the Company successfully acquired land of Sunac Glorious Mansion II in Tianjin, with an estimated aggregate GFA of 132,331 sq.m. The land premium of such land amounted to RMB362.6 million.

Outlook for the second half of 2012:

After considering the adjustment measures adopted by the Government in respect of real estate market would continue, the Company will make proactive adjustments against the developments, operations and market conditions on properties. We believe our consistent adherence to the strategy of focusing on regional development and pursuing high-end property will effectively reduce the uncertainties arising from market fluctuation, and promote steady and rapid development of the Company. Further, the macro adjustment measures brought us opportunities to acquire additional quality parcels of land. The Company also set up positive and stringent business and financial strategies.

As in the past, the Company will continue to observe its regional focus strategy and high-end property strategy, focusing on Beijing, Tianjin, Shanghai and Chongqing, to further improve its core competitiveness in development in terms of product positioning, planning and design, development and construction, market sales and property management. Meanwhile, the Company will achieve powerful combination of complementary advantages through its cooperation with Greentown China. On one hand, both parties will make full use of the existing resource advantages of the JV Company, to further expand high-end property market in Shanghai. They will also jointly facilitate strategic development of the JV Company, to make it bigger and stronger, by way of taking full advantages of their brands. On the other hand, the cooperation will enable the Company to enhance its systematic abilities in creating high-end properties and to further improve its image as a creator of high-end properties. In addition, the Company expects to maintain a steady and rapid development based on its profit-oriented strategy.

Also, the Company is prudent in relation to the cash flow. It will make decisions with caution regarding operation and investment projects to ensure the Company will have a stable growth. In the meantime, when our cash flow is sufficient, the Company will consider opportunities for acquiring new parcels of lands carefully and manage use of project funds according to our plans to enhance sales, accomplish all planned sales collection and expand financing channels, so as to maintain a sufficient cash flow of the Company.

With regard to corporate governance and internal control, we will persistently adopt appropriate management and industrial standards to systematize and standardize our governance procedures, so as to minimize management risks.

INTERIM DIVIDENDS

The Board did not recommend the payment of any interim dividend for the six months ended 30 June 2012.

PURCHASE, SALE OR REDEMPTION OF COMPANY’S LISTED SECURITIES

During the six months ended 30 June 2012, neither the Company, nor any of its subsidiaries has purchased, sold or redeemed any of the Company’s listed securities.

COMPLIANCE WITH THE MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code") contained in Appendix 10 to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Listing Rules") as the guidelines for the directors' dealings in the securities of the Company. Following specific enquiries of all directors, each of them confirmed that they have complied with the required standards set out in the Model Code during the six months ended 30 June 2012 in relation to their securities dealings, if any.

CORPORATE GOVERNANCE

The Company has adopted the Corporate Governance Code (the "Corporate Governance Code") contained in Appendix 14 to the Listing Rules as its own code on corporate governance and has, throughout the six months ended 30 June 2012, complied with all applicable code provisions under the Corporate Governance Code, save and except for the only deviations from code provisions A.2.1, A.6.7 and E.1.2.

Code provision A.2.1 provided that, the roles of chairman and chief executive should be separate and should not be performed by the same individual. The roles of the chairman and chief executive officer of the Company are performed by Mr. Sun Hongbin. Although Mr. Sun Hongbin assumes both the roles of chairman and chief executive officer, the divisions of responsibilities between the two roles are clearly defined. The role of the chairman is to monitor the duties and performance of the Board, whereas the role of chief executive officer is to manage the Group's business. The Board believes that at the current stage of development of the Group, vesting the roles of both chairman and chief executive officer in the same person provides the Company with strong and consistent leadership and allows for effective and efficient planning and implementation of business decisions and strategies.

Code provision A.6.7 provided that, independent non-executive directors and other non-executive directors should attend general meetings. Mr. Li Qin and Mr. Ma Lishan (independent non-executive directors of the Company) as well as Mr. Zhu Jia and Ms. Hu Xiaoling (non-executive directors of the Company) were unable to attend the annual general meeting of the Company held on 18 May 2012 (the "AGM") due to conflicting schedules. Accordingly, the Company was unable to fully comply with code provision A.6.7 of the Corporate Governance Code. However, Mr. Poon Chiu Kwok ("Mr. Poon"), an independent non-executive director of the Company, attended the AGM and answered questions from shareholders. Mr. Poon is also the chairman of the audit committee, chairman of the remuneration committee and member of the nomination committee of the Company.

Code provision E.1.2 provided that, the chairman of the Board should attend the annual general meeting and be available to answer questions at the meeting. Mr. Sun Hongbin (chairman of the Board of the Company) was unable to attend the AGM as he had to attend certain business matters in the PRC on the same day. Accordingly, the Company was unable to fully comply with code provision E.1.2 of the Corporate Governance Code.

The Board of the Company recognizes and appreciates the importance and benefits of good corporate governance practices and has adopted certain corporate governance and disclosure practices for achieving a higher standard of transparency and accountability. The Board members have regular discussions about the performance and business strategies of the Group. They, together with the relevant senior executives of the Company, have also attended regular trainings on Listing Rules and regulatory requirements. The Company has an established internal reporting practice throughout the Group in monitoring the operation and business development of the Company.

AUDIT COMMITTEE

The Company has established an audit committee with written terms of reference in compliance with Rules 3.21 and 3.22 of the Listing Rules and code provision C.3 of the Corporate Governance Code. The audit committee consists of three independent non-executive Directors, namely, Mr. Poon Chiu Kwok, Mr. Li Qin and Mr. Ma Lishan, and is chaired by Mr. Poon Chiu Kwok who has possessed appropriate accounting and related financial management expertise. The primary duties of the audit committee are to assist the Board to fulfill the functions of reviewing and monitoring the financial reporting procedure and internal control of the Company and to perform other duties and responsibilities as assigned by the Board.

The audit committee and the auditor of the Company, PricewaterhouseCoopers, reviewed the accounting principles and practices adopted by the Company and discussed matters related to auditing, internal control and financial reporting matters, including the review of the unaudited interim financial results of the Group for the six months ended 30 June 2012.

PUBLICATION OF THE INTERIM RESULTS AND INTERIM REPORT

The interim results announcement is published on the website of HKExnews (www.hkexnews.hk) as well as the website of the Company (www.sunac.com.cn). The Company's 2012 interim report will be dispatched to shareholders and will be published on the aforementioned websites in due course.

By the order of the Board
Sunac China Holdings Limited
SUN Hongbin
Chairman

Hong Kong, 28 August 2012

As at the date of this announcement, the executive Directors are Mr. SUN Hongbin, Mr. WANG Mengde, Mr. LI Shaozhong, Mr. CHI Xun, Mr. SHANG Yu and Mr. JING Hong; the non-executive Directors are Ms. HU Xiaoling and Mr. ZHU Jia, and the independent non-executive Directors are Mr. POON Chiu Kwok, Mr. LI Qin and Mr. MA Lishan.