融創中國

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 2013

FINANCIAL HIGHLIGHTS

	For the six months ended 30 June (Unaudited)		
	2013	2012	**Up/(Down)**
	RMB'000	*RMB'000*	
Revenue	**8,562,752**	4,302,350	99%
Gross profit	**1,778,975**	1,375,758	29%
Operation profit	**1,434,663**	1,041,477	38%
Profit	**883,508**	522,918	69%
Profit attributable to owners of the Company	**752,418**	527,427	43%
Earnings per share			
– Basic (RMB)	**0.230**	0.176	31%
– Diluted (RMB)	**0.226**	0.175	29%
	As at 30 June 2013 (Unaudited)	**As at 31 December 2012** (Audited)	
Cash (RMB'000)	**14,495,395**	12,262,739	18%
Net gearing ratio	**71.8%**	78.9%	(9%)

BUSINESS HIGHLIGHTS

Summary of Principal Properties

As at 30 June 2013, the Group engaged in a total of 46 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 2013.

Project Summary as of 30 June 2013

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	1,247,860	1,188,920	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%	Completed in December 2012
Sunac Central of Glorious	Tianjin	High-rise and mid-rise apartments, townhouses, retail properties and car parks	14,608	64,738	64,151	100%	Completed in 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, detached villas, retail properties and car parks	70,633	241,770	225,404	50%	December 2014
Sunac Glorious Mansion	Tianjin	High-rise and mid-rise apartments, retail properties and car parks	121,412	303,037	306,659	100%	December 2013
Sunac Central Academy	Tianjin	High-rise and mid-rise apartments, retail properties and car parks	268,425	692,170	701,233	100%	December 2017
Horizon Capital	Tianjin	High-rise and mid-rise apartments, retail properties, offices, serviced apartments and car parks	111,446	383,789	385,849	49%	May 2017

Project Summary as of 30 June 2013

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
Dream of Mansion	Tianjin	Mid-rise apartments, townhouses and detached villas, retail properties, offices and car parks	120,058	243,762	224,207	50%	June 2016
Yongji Phase 2	Tianjin	High-rise apartments, retail properties, offices and car parks	26,837	79,260	79,260	47%	June 2015
R3 Project	Tianjin	Retail properties, offices, serviced apartments and car parks	121,214	471,288	471,288	47%	June 2018
River and Sea	Tianjin	High-rise apartments, retail properties and car parks	77,587	271,613	269,866	47%	December 2016
Tianjin Azure Coast	Tianjin	Retail properties, offices, serviced apartments and car parks	17,161	209,688	192,465	40%	September 2017
Shuangjie Project	Tianjin	High rise apartments, mid-rise apartments, detached villas, townhouses, retail properties, office and car parks	248,118	619,688	565,616	54%	October 2019
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	334,911	100%	December 2013
Sunac Long Beach Mansion	Beijing	Mid-rise apartments, retail properties and car parks	63,940	133,956	104,258	100%	December 2013
Yaao Jinmao Residence	Beijing	High-rise apartments, retail properties and car parks	84,684	247,174	138,253	49%	November 2014

Project Summary as of 30 June 2013

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
Wangjing Jinmao Palace	Beijing	High-rise apartments, retail properties and car parks	54,485	148,657	97,951	49%	December 2015
Fontainebleau Chateau	Beijing	High rise and mid-rise apartments, retail properties and car parks	134,805	416,070	378,291	50%	December 2015
Sunac Olympic Garden	Chongqing	High-rise and mid-rise apartments, townhouses, detached villas, retail properties, offices, serviced apartments and car parks	1,668,498	2,620,556	2,067,928	100%	December 2014
Sunac Eton Manor	Chongqing	High-rise and mid-rise apartments, townhouses, serviced apartments, retail properties and car parks	179,204	404,086	304,788	100%	December 2014
Guardian Manor	Chongqing	High rise and mid-rise apartments, townhouses, serviced apartments, retail properties and car parks	159,793	527,001	450,610	100%	December 2015
Jardins de Versailles	Chongqing	High rise apartments, detached villas, townhouses, retail properties and car parks	397,844	1,321,799	1,136,834	80%	December 2017
Sunac Asia Pacific Enterprise Valley	Chongqing	High-rise apartments, retail properties, offices, serviced apartments and car parks	118,912	759,516	619,318	100%	December 2014
Camphorwood Mansion	Wuxi	High-rise apartments, detached villas, retail properties and car parks	203,070	706,473	637,481	51%	December 2017
Sunac Swan Lake	Wuxi	High-rise and mid-rise apartments, townhouses, retail properties, serviced apartments and car parks	706,889	1,392,554	1,288,172	100%	June 2014

Project Summary as of 30 June 2013

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	579,947	1,035,399	941,053	100%	December 2015
Sunac 81	Suzhou	Townhouses, detached villas, retail properties	133,434	100,340	82,608	100%	Completed in December 2012
Sunac Royal Garden	Yixing	High-rise and mid-rise apartments, townhouses, detached villas, retail properties and car parks	268,945	468,052	399,542	100%	December 2014
Melodious Manor	Hangzhou	Mid-rise apartments, townhouses and car parks	59,360	131,185	102,173	75%	November 2014
Wonderful Mansion	Hangzhou	High-rise apartments, retail properties and car parks	20,480	90,158	58,672	50%	December 2015
Zhijiang River Holiday Village Project	Hangzhou	High-rise apartments, retail properties, offices, serviced apartments and car parks	58,184	267,209	224,943	49%	June 2016
Golf Villa	Hangzhou	High-rise apartments, retail properties and car parks	214,202	524,512	454,768	25%	December 2015
Dynasty on the Bund(1)	Shanghai	High-rise and mid-rise apartments, retail properties, offices, serviced apartments and car parks	110,726	660,668	654,764	50%	2018
Shanghai Magnolia Garden	Shanghai	High-rise and mid-rise apartments, car parks	58,163	120,063	116,782	50%	Completed in June 2013
Shanghai Bund House	Shanghai	High-rise apartments, car parks	65,758	352,671	226,001	26%	November 2017

Project Summary as of 30 June 2013

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**
Shanghai Rose Garden	Shanghai	Detached villas, retail properties	803,353	238,838	145,002	50%	June 2015
Magnodia Garden-Glorious Garden	Shanghai	High-rise and mid-rise apartments, retail properties, car parks	72,803	162,914	150,957	25%	June 2015
Shanghai Wujiefang Project	Shanghai	High-rise and mid-rise apartments, retail properties, car parks	60,206	80,768	67,290	25%	June 2015
Franais Demeure	Shanghai	High-rise and mid-rise apartments, retail properties, car parks	75,091	179,946	117,832	25%	November 2015
Wuxi Magnolia Garden	Wuxi	High-rise apartments, retail properties, car parks	180,826	569,551	546,533	43%	September 2015
Magnolia West Project	Wuxi	High-rise apartments, serviced apartments, retail properties and car parks	171,572	549,968	491,396	20%	December 2017
Fairyland	Suzhou	Detached villas	213,852	249,302	126,395	33%	June 2016
Suzhou Majestic Garden	Suzhou	Mid-rise apartments, detached villas and car parks	155,664	218,340	121,218	50%	December 2013
Changzhou Magnolia Square	Changzhou	High-rise apartments, retail properties, car parks	413,252	1,410,174	1,309,435	49%	December 2017
Total			9,914,183	22,388,949	19,520,563		

Note (1): Dynasty on the Bund was formerly known as Shanghai Huangpu Project.

INTERIM RESULTS WITH NOTES

The board of directors (the "Board") of Sunac China Holdings Limited (the "Company" or "Sunac China") is pleased to announce the unaudited condensed consolidated financial information of the Company and its subsidiaries (collectively, the "Group") for the six months ended 30 June 2013 with comparative figures for the corresponding period in 2012, as follows:

CONDENSED CONSOLIDATED STATEMENT OF INCOME
FOR THE SIX MONTHS ENDED 30 JUNE 2013

	Note	**Six months ended 30 June 2013 (Unaudited)** *RMB'000*	2012 (Unaudited) *RMB'000*
Revenue	*8*	**8,562,752**	4,302,350
Cost of sales	*9*	**(6,783,777)**	(2,926,592)
Gross profit		**1,778,975**	1,375,758
Gain from business combination		**510**	–
Other gains, net		**93,935**	31,684
Selling and marketing costs	*9*	**(254,965)**	(195,329)
Administrative expenses	*9*	**(206,412)**	(179,684)
Other income		**27,110**	11,703
Other expenses		**(4,490)**	(2,655)
Operating profit		**1,434,663**	1,041,477
Finance income	*10*	**37,234**	13,082
Finance costs	*10*	**(287,836)**	(2,568)
Share of losses of jointly controlled entities, net		**(31,624)**	(1,607)
Share of profits/(losses) of associates, net		**276,533**	(2,623)
Profit before income tax		**1,428,970**	1,047,761
Income tax expense	*11*	**(545,462)**	(524,843)
Profit for the period		**883,508**	522,918
Attributable to:			
– Owners of the Company		**752,418**	527,427
– Non-controlling interests		**131,090**	(4,509)
		883,508	522,918
Earnings per share (RMB/share)	*12*		
– Basic		**0.230**	0.176
– Diluted		**0.226**	0.175
Dividends	*13*	**–**	–

	Note	Six months ended 30 June	
		2013	2012
		(Unaudited)	(Unaudited)
		RMB'000	*RMB'000*
Profit for the period		**883,508**	522,918
Other comprehensive income			
– Disposal of available-for-sale financial assets, net of tax		**–**	(212)
Total comprehensive income for the period, net of tax		**883,508**	522,706
Total comprehensive income for the period attributable to:			
– Owners of the Company		**752,418**	527,215
– Non-controlling interests		**131,090**	(4,509)
		883,508	522,706

CONDENSED CONSOLIDATED BALANCE SHEET

AS AT 30 JUNE 2013

	Note	**30 June 2013 (Unaudited) *RMB'000***	31 December 2012 (Audited) *RMB'000*
Assets			
Non-current assets			
Property, plant and equipment		**52,772**	48,947
Investment properties		**248,000**	570,500
Intangible assets		**319,584**	308,500
Investments in jointly controlled entities	*3*	**2,035,185**	1,081,184
Investments in associates	*4*	**3,069,271**	3,123,480
Prepayments for equity transactions		**2,080,862**	85,000
Deferred income tax assets		**1,050,708**	885,135
		8,856,382	6,102,746
Current assets			
Properties under development		**39,306,174**	37,697,620
Completed properties held for sale		**9,708,902**	8,703,708
Amounts due from jointly controlled entities		**1,427,001**	1,289,920
Amounts due from associates		**1,625,399**	1,772,488
Trade and other receivables	*5*	**334,561**	415,920
Prepayments	*6*	**4,678,700**	2,689,111
Restricted cash		**3,634,669**	3,868,713
Cash and cash equivalents		**10,860,726**	8,394,026
		71,576,132	64,831,506
Total assets		**80,432,514**	70,934,252
Equity and liabilities			
Equity attributable to owners of the Company			
Share capital		**284,909**	260,341
Reserves			
– Proposed final dividend		**–**	260,730
– Others		**11,534,017**	8,967,941
		11,818,926	9,489,012
Non-controlling interests		**2,580,885**	2,505,164
Total equity		**14,399,811**	11,994,176

	Note	30 June 2013 (Unaudited) RMB'000	31 December 2012 (Audited) RMB'000
Liabilities			
Non-current liabilities			
Borrowings		**18,257,285**	9,942,480
Long-term payable		**–**	166,745
Deferred income tax liabilities		**4,309,354**	4,536,843
		22,566,639	14,646,068
Current liabilities			
Trade and other payables	7	**6,959,175**	7,115,809
Advanced proceeds from customers		**19,352,443**	15,145,978
Amounts due to jointly controlled entities		**281,360**	428,925
Amounts due to associates		**1,362,696**	1,184,417
Amounts due to non-controlling interests		**4,495,527**	3,540,126
Current income tax liabilities		**4,444,460**	5,096,206
Borrowings		**6,570,403**	11,782,547
		43,466,064	44,294,008
Total liabilities		**66,032,703**	58,940,076
Total equity and liabilities		**80,432,514**	70,934,252
Net current assets		**28,110,068**	20,537,498
Total assets less current liabilities		**36,966,450**	26,640,244

NOTES

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 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 26 August 2013.

2. SEGMENT INFORMATION

The executive directors review the Group's internal reporting in order to assess performance and allocate resources. The executive directors have determined the operating segments based on these reports.

The executive directors assess the performance of property development business and property management service business respectively. The performance of the operating segments is assessed based on a measure of profit/(loss) before income tax.

The analysis of the Group's profit/(loss) before income tax by segment is as follows:

	Six months ended 30 June 2013		
	Property development and investment	**Property management services**	**Total**
	RMB'000	***RMB'000***	***RMB'000***
Total segment revenue	**8,477,299**	**104,263**	**8,581,562**
Inter-segment revenue	**–**	**(18,810)**	**(18,810)**
Revenue from external customers	**8,477,299**	**85,453**	**8,562,752**
Profit before income tax	**1,471,168**	**(42,198)**	**1,428,970**

	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	102,665	4,314,270
Inter-segment revenue	–	(11,920)	(11,920)
Revenue from external customers	4,211,605	90,745	4,302,350
Profit before income tax	1,065,681	(17,920)	1,047,761

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

	As at 30 June 2013		
	Property development and investment	**Property management services**	**Total**
	RMB'000	***RMB'000***	***RMB'000***
Total assets per the balance sheet	**80,363,284**	**69,230**	**80,432,514**
Including:			
Investment in jointly controlled entities	**2,035,185**	**–**	**2,035,185**
Investment in associates	**3,069,271**	**–**	**3,069,271**
Investment properties	**248,000**	**–**	**248,000**
Total liabilities per the balance sheet	**65,862,764**	**169,939**	**66,032,703**

3. INVESTMENTS IN JOINTLY CONTROLLED ENTITIES

	As at	
	30 June 2013	31 December 2012
	RMB'000	*RMB'000*
Equity investments in jointly controlled entities ("JCEs")	**2,035,185**	1,081,184

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

		Six months ended 30 June	
		2013	2012
	Note	***RMB'000***	*RMB'000*
At beginning of period		**1,081,184**	97
Increase in investment in an existing JCE	*(a)*	**181,300**	–
An associate becoming a JCE upon additional equity interest acquisition	*(b)*	**706,482**	–
Other investments in new JCEs	*(c)*	**330,000**	99,000
A JCE becoming a subsidiary upon additional equity interest acquisition	*(d)*	**(205,490)**	–
Dividend from a JCE		**(26,667)**	–
Share of losses of JCEs, net		**(31,624)**	(1,607)
At end of period		**2,035,185**	97,490

Note:

The Group and its business partners do not have unilateral decisive voting power over the economic activities of the entities. Therefore, the investees are classified as jointly controlled entities of the Group.

(a) In May 2013, the Group and the other shareholder of a 24.5% owned JCE of the Group, namely Shanghai Poly Hongrong Real Estate Co., Ltd. ("Shanghai Poly Hongrong"), increased capital contributions according to respective equity interest share, for the purpose of financing the property project development. The investment amount shared by the Group was RMB181.3 million. After capital increase, the Group owns 24.5% of the JCE.

(b) On 7 January 2013, the Group acquired an additional 23.5% equity interest of a previously 23.5% owned associate, Tianjin TEDA City Development Co., Ltd. ("Tianjin TEDA City") at a consideration of RMB348.9 million. After this transaction, the Group's equity interest in Tianjin TEDA City was increased to 47%, and it became a JCE of the Group. *(Note 4)*

(c) During the six months ended 30 June 2013, the following new JCEs were established by the Group and other third party business partners:

		Equity interest attributable to the Group	Equity Investment
		(%)	*RMB'000*
Summer Sky Investments Limited ("Summer Sky")	*i)*	49%	0
Hangzhou Wangjiangfu Real Estate Co., Ltd. ("Hangzhou Wangjiangfu")	*ii)*	50%	325,000
Shanghai Longxiang Real Estate Development Co., Ltd. ("Shanghai Longxiang")	*iii)*	25%	5,000
Total			330,000

i) On 19 March 2013, a wholly owned subsidiary of the Company, Yingzi Real Estate Investment Holding Ltd., subscribed 49 new shares of Summer Sky at a consideration of HK$49 in cash. Summer Sky is incorporated in Hong Kong and engaged in equity investment, and was originally wholly owned by an independent third party. Summer Sky is developing a property project in Hangzhou, the PRC, through its wholly owned subsidiary. After this transaction, the Group shares 49% interests in Summer Sky and its subsidiary.

ii) On 25 March 2013, a wholly owned subsidiary of the Company, Tianjin Sunac Zhidi Co., Ltd., ("Sunac Zhidi") together with a third party business partner, established Hangzhou Wangjiangfu. Sunac Zhidi contributed RMB325 million as equity investment and the Group shares 50% of interests in Hangzhou Wangjiangfu.

iii) On 27 June 2013, a 50% owned subsidiary of the Company, Shanghai Sunac Greentown Investment Holdings Limited ("Shanghai Sunac Greentown") invested RMB5 million as capital contribution in Shanghai Longxiang, which is engaged in real estate property development, and shares its 50% equity interests.

(d) In January 2013, the 50% owned subsidiary of the Company, Shanghai Sunac Greentown, acquired an additional 20% equity interest of its 37% owned JCE, Changzhou Greentown Real Estate Co., Ltd. ("Changzhou Greentown"), from a third party shareholder of Changzhou Greentown at a consideration of RMB163 million. Thereafter, Changzhou Greentown became a subsidiary of the Group.

Except for Summer Sky, which is incorporated in Hong Kong, the remaining JCEs of the Group are incorporated in the PRC. All JCEs are non-listed companies.

A summary of the Group's interests in its JCEs as at 30 June 2013 and for the six months periods then ended is as follows:

	Equity interests attributable to the Group	Assets	Liabilities	Revenue	Profit/(loss) included in the consolidated income statement	Profit/(loss) attributable to the owners of the Company
	%	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*
Six months ended 30 June 2013						
Tianjin Beitang Sunac Investment Co., Ltd. ("Beitang Sunac")	50%	525,170	493,902	–	(16,544)	(16,544)
Beijing Franshion Sunac Real Estate Development Co., Ltd. ("Franshion Sunac")	49%	2,457,331	2,433,080	–	(5,079)	(5,079)
Shanghai Poly Hongrong	24.5%	674,816	186,307	–	(2,834)	(1,417)
Summer Sky	49%	454,285	454,256	–	(650)	(650)
Hangzhou Wangjiangfu	50%	620,792	297,145	–	(1,353)	(1,353)
Shanghai Longxiang	25%	2,500	–	–	–	–
Tianjin TEDA City	47%	2,755,409	2,063,084	4,304	(5,164)	(5,164)
		7,490,303	5,927,774	4,304	(31,624)	(30,207)

4. INVESTMENTS IN ASSOCIATES

	As at 30 June 2013	31 December 2012
	RMB'000	*RMB'000*
Investments in associates	**3,069,271**	3,123,480

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

	Six months ended 30 June 2013	2012
	RMB'000	*RMB'000*
At beginning of period	**3,123,480**	979,753
An associate becoming a JCE *(Note 3(b))*	**(353,242)**	–
Investment in a new associate *(Note (a))*	**22,500**	–
Share of profits/(losses) of associates, net	**276,533**	(2,623)
At end of period	**3,069,271**	977,130

All associates of the Group are incorporated in the PRC and are all non-listed companies.

Note:

(a) In March 2013, the Group acquired 45% equity interest of Beijing Xingye Wanfa Real Estate Development Co., Ltd. ("Xingye Wanfa") at the cash consideration of RMB22.5 million, through a wholly-owned subsidiary of the Company, Xingye Wanfa is developing a property project in Beijing, the PRC.

A summary of the Group's interests in the associates as at 30 June 2013 and for the six months then ended is as follows:

	Equity interests attributable to the Group	Assets	Liabilities	Revenue	Profit/(loss) included in the consolidated income statement	Profit/(loss) attributable to the owners of the Company
	%	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*
Six months ended 30 June 2013						
Shanghai Greentown Woods Golf Villa development Co., Ltd. ("Shanghai Woods Golf")	**50%**	**1,938,562**	**1,265,771**	**468,070**	**288,739**	**288,739**
Beijing Poly Sunac Real Estate Development Co., Ltd. ("Beijing Poly Sunac")	**49.5%**	**1,613,677**	**625,924**	**–**	**(1,123)**	**(1,123)**
Tianjin Poly Sunac Investment Company Limited ("Tianjin Poly Sunac")	**49%**	**2,258,425**	**1,295,788**	**–**	**(8,124)**	**(8,124)**
Xingye Wanfa	**45%**	**678,712**	**560,079**	**–**	**(445)**	**(445)**
Shanghai Gezhouba Greentown Sunac Real Estate Co., Ltd. ("Gezhouba")	**24.5%**	**611,793**	**587,851**	**–**	**(937)**	**(469)**
Wuxi Taihu Greentown Real Estate Co., Ltd. ("Wuxi Taihu Greentown")	**19.5%**	**415,274**	**371,663**	**–**	**(1,577)**	**(789)**
		7,516,443	**4,707,076**	**468,070**	**276,533**	**277,789**

5. TRADE AND OTHER RECEIVABLES

	As at 30 June 2013	31 December 2012
	RMB'000	*RMB'000*
Trade receivables	**860**	32,066
Notes receivables	**4,049**	105,293
Dividend receivable from a JCE	**26,667**	–
Other receivables	**302,985**	278,561
	334,561	415,920

As at 30 June 2013 and 31 December 2012, the carrying amounts of the Group's trade and other receivables are all denominated in RMB and the fair value of trade and other receivables approximated their carrying amounts.

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

	As at 30 June 2013	31 December 2012
	RMB'000	*RMB'000*
Within 90 days		
– Trade receivables	**860**	32,066
– Notes receivables	**4,049**	105,293

6. PREPAYMENTS

	As at **30 June 2013** **RMB'000**	31 December 2012 RMB'000
Prepaid taxes		
– Business tax and surcharge	**1,172,285**	832,329
– Land appreciation tax ("**LAT**")	**624,247**	456,059
– Corporate income tax ("**CIT**")	**520,113**	430,268
Prepayments for land use rights tendering	**2,311,674**	943,966
Others	**50,381**	26,489
	4,678,700	2,689,111

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

7. TRADE AND OTHER PAYABLES

	As at **30 June 2013** ***RMB'000***	31 December 2012 *RMB'000*
Trade payables	**4,733,468**	5,193,012
Notes payables	**170,726**	242,301
Payable for equity interest acquisition	**576,559**	410,778
Interests payable	**363,871**	184,342
Other taxes payable	**296,077**	454,606
Advanced deed tax received from customers	**184,955**	113,900
Payroll and welfare payables	**46,026**	107,233
Other payables – third parties	**587,493**	409,637
	6,959,175	7,115,809

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

	As at **30 June 2013** ***RMB'000***	31 December 2012 *RMB'000*
Within 90 days	**3,532,066**	4,221,977
90-180 days	**223,731**	111,435
180-365 days	**398,456**	434,656
Over 365 days	**579,215**	424,944
	4,733,468	5,193,012

8. REVENUE

	Six months ended 30 June	
	2013	2012
	RMB'000	*RMB'000*
Sales of properties	**8,463,925**	4,203,344
Property management service income	**85,453**	90,745
Rental income		
– Investment properties	**8,777**	8,261
– Others	**4,597**	–
	8,562,752	4,302,350

9. EXPENSES BY NATURE

	Six months ended 30 June	
	2013	2012
	RMB'000	*RMB'000*
Costs of completed properties sold	**6,314,356**	2,691,571
Business tax and other levies	**469,421**	235,021
Staff costs	**174,530**	95,975
Advertisement and promotion costs	**137,114**	138,646
Office and travel expenses	**50,651**	26,632
Other tax expenses	**22,412**	19,425
Entertainment expenses	**21,764**	12,831
Impairment provision for goodwill	**20,892**	–
Depreciation and other amortisation	**11,931**	7,928
Others	**22,083**	73,576
Total cost of sales, selling and marketing costs and administrative expenses	**7,245,154**	3,301,605

10. FINANCE INCOME AND FINANCE COSTS

	Six months ended 30 June	
	2013	2012
	RMB'000	*RMB'000*
Finance income		
– Interest income on bank deposits	**(37,234)**	(13,082)
Finance costs		
Interest expenses on		
– bank borrowings	**627,786**	367,142
– borrowings from non-bank financial institutions	**408,150**	351,112
– borrowings from third parties	**53,756**	87,379
– bond offering	**226,470**	–
	1,316,162	805,633
Exchange loss	**16,542**	–
Other finance costs	**5,526**	201
	1,338,230	805,834
Less: Capitalised interests	**(1,050,394)**	(803,266)
	287,836	2,568

11. INCOME TAX EXPENSE

	Six months ended 30 June	
	2013	2012
	RMB'000	*RMB'000*
CIT charge		
– Current income tax	**547,293**	348,727
– Deferred income tax	**(234,733)**	(178,239)
	312,560	170,488
LAT	**232,902**	354,355
	545,462	524,843

(a) CIT

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.

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 2013 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.

12. 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	
	2013	2012
Profit attributable to owners of the Company *(RMB'000)*	**752,418**	527,427
Weighted-average number of ordinary shares in issue *(thousand)*	**3,267,450**	3,000,144

(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 issued assuming the exercise of the share options.

	Six months ended 30 June	
	2013	2012
Profit attributable to owners of the Company *(RMB'000)*	**752,418**	527,427
Weighted-average number of ordinary shares in issue *(thousand)*	**3,267,450**	3,000,144
Adjusted for share options *(thousand)*	**62,143**	15,558
Weighted-average number of ordinary shares for diluted earnings per share *(thousand)*	**3,329,593**	3,015,702

13. DIVIDENDS

A final dividend of HK$326 million relating to the year ended 31 December 2012 was paid in August 2013 (HK$291 million relating to the year ended 31 December 2011 was paid in 2012). No interim dividend for the six months ended 30 June 2013 was proposed by the Board (Six months ended 30 June 2012: nil).

14. EVENTS AFTER THE BALANCE SHEET DATE

(a) On 10 July 2013, Tianjin Sunac Dingsheng Land Co., Ltd. ("Sunac Dingsheng"), a wholly-owned subsidiary of the Company, entered into the Equity Transfer Agreement with third parties, pursuant to which, Sunac Dingsheng agreed to acquire 100% equity interest of Tianjin Rongzheng Investment Co., Ltd. ("Tianjin Rongzheng") owned by the third party sellers and the sellers' receivables from Tianjin Rongzheng, at total cash consideration of RMB1,148.5 million. Up to the date of this announcement, the transaction has not been completed.

(b) On 17 July 2013, Sunac Greentown Investment Holdings Limited ("Sunac Greentown Investment"), a 50% owned subsidiary of the Company incorporated in the British Virgin Islands, acquired 100% equity interests in Elegant Trend Holdings Limited and its subsidiaries ("Elegant Group") owned by the third party and its receivables from Elegant Group at a total consideration of RMB7,996.1 million. Elegant Group is engaged in real estate property development business and is currently developing one property project named "Dynasty on the Bund" in Shanghai, the PRC. As at the date of this announcement, the management of the Group is still in the progress of assessing the financial impact of this acquisition.

On 23 July 2013, Sunac Greentown Investment, as the borrower, entered into a Facility Agreement with five third party banks for three-year loan facility amounting to USD400 million to USD450 million. The facility is for the purpose of payment of the consideration of the acquisition of Elegant Group. On 2 August 2013, Sunac Greentown Investment has drawn down USD400 million from the facility using its equity interest in Elegant Company and its subsidiaries as collateral.

(c) On 24 July 2013, Shanghai Sunac Greentown, the 50% owned subsidiary of the Company, secured an acquisition of a land use right in Shanghai, the PRC at the total price of RMB1,044 million through an opening tendering process. The Group will contribute RMB522 million, which is in proportion with its equity interest share in Shanghai Sunac Greentown. Up to the date of this announcement, the land use right acquisition contract has not been signed.

(d) On 29 July 2013, a wholly owned subsidiary of the Company, Jujin Property Investment Holdings Limited, secured an acquisition of a land use right in Chongqing, the PRC at the total price of RMB567.4 million through an opening tendering process. Up to the date of this announcement, the land use right acquisition contract has not been signed.

(e) On 6 August 2013, Tianjin Sunac Ao Cheng Investment Co., Ltd. ("Sunac Ao Cheng"), a wholly-owned subsidiary of the Company, entered into an Equity Transfer Agreement with two independent third parties, pursuant to which, Sunac Ao Cheng agreed to acquire a 60% equity interest of Hangzhou Guorong Real Estate Co., Ltd. ("Hangzhou Guorong") and the sellers' receivables from Hangzhou Guorong by the sellers for a total consideration of RMB507.8 million. Up to the date of this announcement, the acquisition has not been completed.

(f) On 14 August 2013, a wholly owned subsidiary of the Company, Beijing Sunac Jiantou Real Estate Co., Ltd., jointly with a third party, secured the acquisition of a land use right in Beijing, the PRC at the total price of RMB4,120 million through an open tendering process. Up to the date of this announcement, the land use right acquisition contract has not been signed.

MANAGEMENT DISCUSSION AND ANALYSIS

Financial Review

Revenue

Revenue of the Group for the six months ended 30 June 2013 was substantially generated from sales of residential and commercial properties. Only a minor portion of the Group's revenue was derived from the income from property management services business and rental of investment properties located in Tianjin.

For the six months ended 30 June 2013, the Group remained focusing on the development of real estate properties in five main regions of the PRC, namely Beijing, Tianjin, Shanghai, Chongqing and Hangzhou, and continued to deliver a solid performance, achieving satisfactory growth in its core businesses.

Revenue of the Group for the six months ended 30 June 2013 amounted to RMB8,562.8 million, representing an increase of 99.0% comparing with the total revenue of RMB4,302.4 million for the six months ended 30 June 2012.

The following table sets forth certain details of the revenues:

	Six months ended 30 June			
	2013		2012	
	RMB'000	*%*	*RMB'000*	*%*
Sales of properties	**8,463,925**	**98.8**	4,203,344	97.7
Property management service income	**85,453**	**1.0**	90,745	2.1
Rental income from investment properties	**13,374**	**0.2**	8,261	0.2
Total	**8,562,752**	**100.0**	4,302,350	100.0
Total gross floor area ("GFA") delivered (sq.m.)	**302,949**		262,434	
Average selling prices ("ASP") sold (RMB per sq.m.)	**27,938**		16,017	

The revenue from the sales of properties increased by RMB4,260.6 million for the six months ended 30 June 2013, primarily attributable to an increase in the recognition of RMB3,945.3 million in revenue from the delivery of properties from the projects acquired by the Group from Greentown Real Estate Group Co., Ltd. ("Sunac Greentown Projects") in the second half year of 2012.

Cost of sales

Cost of sales comprises of the costs that the Group incurred in relation to its direct development activities for the properties delivered, as well as costs for property management operations and leasing.

For the six months ended 30 June 2013, cost of sales of the Group amounted to RMB6,783.8 million, representing an increase of 131.8% as compared with that of RMB2,926.6 million for the six months ended 30 June 2012, which was primarily due to the following:

(i) cost of sales increased in line with the increase of sales revenue. In addition to the increase of GFA delivered by 40,515 sq.m., the proportion of cost of sales for the delivered properties with higher unit value to total cost of sales increased from 48.2% for the six months ended 30 June 2012 to 83.7% for the six months ended 30 June 2013; and

(ii) the proportion of the delivered properties for the six months ended 30 June 2013 which were remeasured at fair value due to the impacts of the acquisition of property projects increased as compared with that for the six months ended 30 June 2012. Cost of sales included RMB810.5 million for the six months ended 30 June 2013 and RMB442.2 million for the six months ended 30 June 2012 related to the valuation surplus of the properties acquired.

Gross margin

For the six months ended 30 June 2013, gross profit of the Group amounted to RMB1,779.0 million, or an increase of 29.3% as compared with RMB1,375.8 million for the six months ended 30 June 2012. Gross margin was 20.8% for the six months ended 30 June 2013 compared with 32.0% for the six months ended 30 June 2012, mainly due to the following:

(i) the delivery of the properties from Sunac Greentown Projects acquired in the second half year of 2012, which had lower gross margin and accounted for 46.1% of the total revenue recorded for the six months ended 30 June 2013. Excluding Sunac Greentown Projects, the gross margin of the Group's existing projects for the six months ended 30 June 2013 was 31.4%;

(ii) the increase of the proportion of the delivered properties for the six months ended 30 June 2013 which were remeasured at fair value due to the impact of the acquisition of property projects. Excluding the impact of remeasurement of fair value, the Group's gross margin was 30.2%; and

(iii) excluding the impact of the aforementioned items (i) and (ii), the Group's gross margin was 45.1% for the six months ended 30 June 2013 and 42.3% for the six months ended 30 June 2012.

Other gains – net

For the six months ended 30 June 2013, the Group recorded other gains of RMB93.9 million which was mainly attributable to the gain of RMB61.7 million from disposal of investment properties and RMB23.6 million in compensation income.

Selling and marketing costs and administrative expenses

Selling and marketing costs of the Group rose to RMB255.0 million for the six months ended 30 June 2013 from RMB195.3 million for the six months ended 30 June 2012. Administrative expenses of the Group increased to RMB206.4 million for the six months ended 30 June 2013 from RMB179.7 million for the six months ended 30 June 2012. Those changes were primarily due to the increase of sales amount and the quantity of projects newly acquired and launched for the six months ended 30 June 2013.

Other income

The Group's other income significantly increased by RMB15.4 million from RMB11.7 million for the six months ended 30 June 2012 to RMB27.1 million for the six months ended 30 June 2013, which was primarily due to an increase of RMB10.6 million in government grants.

Other expenses

The Group's other expenses slightly increased by RMB1.8 million from RMB2.7 million for the six months ended 30 June 2012 to RMB4.5 million for the six months ended 30 June 2013.

Operating profit

As a result of the sectors analyzed above, the Group's operating profit increased by RMB393.2 million from RMB1,041.5 million for the six months ended 30 June 2012 to RMB1,434.7 million for the six months ended 30 June 2013, which was primarily due to:

(i) an increase of RMB403.2 million in gross profit; and

(ii) an increase of RMB10.0 million in operating expenses.

Finance costs

The Group's finance costs increased to RMB287.8 million for the six months ended 30 June 2013 from RMB2.6 million for the six months ended 30 June 2012 and the capitalized interest increased to RMB1,050.4 million for the six months ended 30 June 2013 from RMB803.3 million for the six months ended 30 June 2012. It was mainly attributable to an increase in interest expenses on the Group's total borrowings from RMB805.8 million for the six months ended 30 June 2012 to RMB1,338.2 million for the six months ended 30 June 2013. This increase was due primarily to an increase of borrowings to finance the Group's expanded property development activities for the six months ended 30 June 2013.

Share of loss of jointly controlled entities

The Group's share of loss of jointly controlled entities increased to RMB31.6 million for the six months ended 30 June 2013 from RMB1.6 million for the six months ended 30 June 2012, which was primarily due to the increase of the quantity of jointly controlled entities which had not yet commenced recording the revenue.

Share of profit/(loss) of associates

For the six months ended 30 June 2013, the Group recorded share of profit of RMB276.5 million, compared to share of loss of RMB2.6 million for the six months ended 30 June 2012. This change was mainly attributable to the significant increase of profit from Shanghai Greentown Woods Golf Villa development Co., Ltd., an associate of the Group, because a gain of RMB268.0 million attributable to the Group from the acquisition of Zhejiang Jinying Realty Co.,Ltd. was recognized.

Profit

As a result of the sectors analyzed above, the Group's profit attributable to owners of the Company for the six months ended 30 June 2013 increased 43% to RMB752.4 million from RMB527.4 million for the six months ended 30 June 2012. Moreover, excluding the impact of the gain from acquisition of equity interests, the fair value change of the investment properties and impairment provision for properties, the Group's core profit attributable to owners of the Company for the six months ended 30 June 2013 increased 39.3% to RMB845.1 million from RMB606.5 million for the six months ended 30 June 2012.

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	
	2013	2012
	RMB'000	*RMB'000*
Profit/(loss) for the period	**883,508**	522,918
Attributable to:		
Owners of the Company	**752,418**	527,427
Non-controlling interests	**131,090**	(4,509)
	883,508	522,918

Cash position

The Group operates in a capital intensive industry and has historically financed, and expects to continue to finance, its working capital, capital expenditures and other capital requirements through proceeds from the pre-sale 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 meeting 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 loans. The Group's long-term liquidity requirements relate to funding the development of its new property projects and repaying its long-term debt, and the Group's sources of long-term liquidity include loans, capital contributions from shareholders and share issuances.

The Group's cash and cash equivalents (including restricted cash) increased 18.2% to RMB14,495.4 million as at 30 June 2013 from RMB12,262.7 million as of 31 December 2012.

The increase was principally attributable to:

(i) the net cash inflow of RMB1,623.4 million in operating activities benefited from the significant increase of the proceeds from the pre-sale and sale of properties;

(ii) the net cash outflow of RMB3,451.1 million in investing activities which was mainly due to obtaining new projects by the Group in Shanghai, Hangzhou and Tianjin respectively and acquiring equity interests; and

(iii) the net cash inflow of RMB4,371.8 million in financing activities primarily due to the net inflow of RMB1,561.6 million from the borrowing, issue of senior notes and the payment of interest costs, net inflow of RMB1,625.1 million from the placing of shares and the net inflow of RMB955.4 million from the non-controlling interests' investments.

The Group believes 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 RMB24,827.7 million as at 30 June 2013, increasing by RMB3,102.7 million from RMB21,725.0 million as at 31 December 2012, which was primarily due to the net increase of RMB3,013.3 million from senior notes issued on 27 March 2013 and another net increase of RMB89.4 million from the loans obtained from banks and other parties.

As at 30 June 2013, RMB23,428.9 million of the Group's total borrowings (as at 31 December 2012: RMB19,326.2 million) were secured or jointly secured by the Group's properties under development, completed properties held for sale and investment properties totaling RMB30,398.8 million (as at 31 December 2012: RMB27,578.4 million), and certain equity interests of the Group's subsidiaries (including those legally transferred as collateral).

Net debt to total assets ratio, gearing ratio and net 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 (including restricted cash). As at 30 June 2013, the net debt to total assets ratio of the Group is 13%, as compared to 13% as of 31 December 2012.

Gearing ratio is calculated as net debt divided by total capital. Total capital is calculated as total equity plus net debt. As at 30 June 2013, the gearing ratio of the Group is 42%, as compared to 44% as at 31 December 2012.

Net gearing ratio is calculated as net debt divided by total equity. As at 30 June 2013, the net gearing ratio decreased to 71.8% from 78.9% as at 31 December 2012. The Group continues to pay attention to and manage its financial structure and potential risks during its course of development.

Interest rate risk

The Group's interest rate risk arises from long-term borrowings. Borrowings issued at variable rates expose the Group to cash flow interest-rate risk which is partially offset by cash held at variable rates. Borrowings issued at fixed rates expose the Group to fair value interest-rate risk.

As at 30 June 2013, 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 the Group has some bank deposits denominated in foreign currencies and the senior notes issued on 9 October 2012 and 27 March 2013 denominated in US dollars, the Group faces foreign exchange risk. However, the Group's operating cash flow and liquidity are not subject to significant effect from fluctuations in exchange rates. No currency hedging arrangements were made as at 30 June 2013. The Group will closely monitor and manage its exposure to fluctuation in foreign exchange rates.

Contingent Liabilities

The Group provided guarantees to banks for mortgage facilities granted to certain purchasers of the Group's properties to secure the obligations of such purchasers for repayment of their mortgage loans. As at 30 June 2013, the amount was RMB6,888.8 million as compared with RMB5,124.2 million as at 31 December 2012. Such guarantees terminate upon the earlier of (i) the transfer of the real estate ownership certificate to the purchaser which generally takes place within an average period of six months of the properties delivery date; or (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 2013

During the first half of 2013, the government still maintained its tight macro-control measures on real estate industry. However, the Company remarkably achieved its various operational tasks through unswerving adherence to our strategy of regional focus and high-end properties and with support from a team with superior execution, enabling a continuously steady and fast business growth.

Revenue of the Company amounted to RMB8.56 billion for the first half of the year, representing an increase of 99% as compared to that for the corresponding period of last year. Profit attributable to owners of the Company amounted to RMB750 million, representing an increase of 43% as compared to that for the corresponding period of last year. Contract amount from sales for the first half of the year was RMB23.6 billion, representing an increase of 89% as compared to that for the corresponding period of last year, over-fulfilling the target that the Company set for the first half of the year.

During the first half of the year, competition on the acquisition of land was getting keener and land prices continued to increase as many enterprises kept an eye again on the first and second tier cities and strengthen their presences there. The Company has strictly followed its internal rules on land acquisition and chose not to acquire a number of parcels of excessively-priced land. Meanwhile, the Company acquired five parcels of land with favourable costs in a more flexible manner in the regions where the Company focuses. One of the projects was acquired through the bid invitation, auction and listing system while the other four projects were acquired through equity acquisition. Three out of those five projects were located in Hangzhou where the Company entered into last year, which greatly increases our presence in Hangzhou. Dynasty on the Bund, which was formally known as Huangpu Project, was acquired with Greentown China Holdings Limited in Shanghai. It is a large scale project and is a rarity in central Shanghai with a river view. The project will be significant to the Company's further growth and the establishment of our competitive edges in Shanghai.

The Company's promising operating results also gained recognition from the capital market. In January, the Company completed the placing of 300,000,000 shares at HK$6.7 per share, raising a fund of HK$ 2 billion. In March, the Company issued US$500 million 9.375% senior notes due 2018. In July, the Company entered into an agreement with five banks in relation to a three year term syndicated loan of not exceeding US$450 million. This has been the first time the Company obtained a foreign syndicated loan. These financial activities not only provided financial support for the Group's subsequent development but also provided a new financing channel to the Company, enhanced its capital structure and its risk management capability.

Operating revenue and profit highlight

In the first half of 2013, the revenue and profit of the Company increased significantly as compared with the corresponding period in 2012, of which, the revenue increased by RMB4.26 billion to RMB8.56 billion as compared with the corresponding period of last year and the profit increased by RMB0.36 billion to RMB0.88 billion as compared with the corresponding period of last year.

Sales highlights

In the first half of 2013, 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 2013. The Group's sales amount was RMB23.6 billion for the first half of the year. The Company believes that all of its 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.

Highlight on land acquisitions and project companies acquisitions in the reporting period

In the first half of 2013, there was keen competition in the land market and the land prices were getting higher. The Company has been following its policies on land acquisition and acquired five parcels of reasonably-priced land in a flexible and prudent manner. The Company replenished approximately 2,162,235 sq.m. of land bank and 972,105 sq.m. of attributable land bank.

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

Hangzhou Wonderful Mansion Project

On 17 January 2013, Tianjin Sunac Zhidi Co., Ltd., a wholly-owned subsidiary of the Company, and Hangzhou Chengjian Development Group Co., Ltd. entered into a framework agreement, pursuant to which the Company acquired 50% equity interest in Hangzhou Wonderful Mansion Project at a consideration of RMB560 million. The project is located at a prime location where it is situated in the core of Qianjiang New Town, the downtown area of Hangzhou, and is adjacent to large service facilities, namely the Hangzhou Theatre, the Hangzhou International Conference Center and the Hangzhou Citizen Center, and historical and cultural streets such as Nansongyu Street and Hefang Street and West Lake Scenic Area. The land extends to Xihuan Road in the east, Guihuazhi Road in the west, a piece of vacant land in our land bank in the north and Jiangnan Road in the south. The site area and the GFA of the project is approximately 20,500 sq.m. and approximately 90,200 sq.m. respectively.

Hangzhou Zhijiang River Holiday Village Project

On 14 March 2013,Yingzi Real Estate Investment Holdings Ltd., a wholly-owned subsidiary of the Company, and Summer Sky Investments Limited, a wholly-owned subsidiary of Shimao Property Holdings Limited, entered into an agreement, pursuant to which the Company indirectly acquired 49% equity interest in Hangzhou Zhijiang River Holiday Village Project at a consideration of HK$49. The agreement provided that the Company shall make a capital contribution of approximately RMB907 million to the project. The project is located in Binjiang District, Hangzhou, and such piece of land extends from Wangjiang East Road in the east, Qianjiang Road in the south, Guihua Road in the west and Guihua Road in the north, and is adjacent to the Qiantang River with the river view, and enjoying the scenery of Liuhe Pagoda and Qianjiang Bridge. The site area and the GFA of the project is approximately 58,200 sq.m. and approximately 267,200 sq.m. respectively.

Hangzhou Golf villa Project

On 30 May 2013, Shanghai Greentown Woods Golf Villa Development Co., Ltd. ("Shanghai Greentown Woods Golf") and Jindu Real Estate Group Co., Ltd. ("Jindu Real Estate") entered into an equity transfer agreement and a creditor's right transfer agreement, pursuant to which Shanghai Greentown Woods Golf shall acquire 50% of equity interest in Zhejiang Jinying Realty Co., Ltd. ("Zhejiang Jinying") held by Jindu Real Estate at a consideration of RMB1.2 billion. Upon completion of the transaction, the Company will indirectly own 25% interest in Golf Villa Project which is under development by Zhejiang Jinying. Golf villa Project is located at Zhuantang Town, West Lake District, Hangzhou and such piece of land extends from Doumen Road in the east, Hengqiao Road in the south, Xiangshan Road in the west and Doumen Road in the north. Such project is situated in Zhijiang National Tourist Resort Area, enjoying a beautiful natural view and neighbouring on the West Lake Golf Course and China Academy of Art, Xiangshan College. The site area and the estimated GFA of the project is approximately 214,200 sq.m. and approximately 524,500 sq.m. respectively.

Shanghai Dynasty on the Bund Project

On 31 May 2013, Sunac Greentown Investments Holdings Limited ("Sunac Greentown") entered into a definitive transfer agreement with the vendor in relation to Shanghai Dynasty on the Bund Project to acquire 100% interest in Shanghai Dynasty on the Bund Project. Pursuant to the agreement, the total consideration for the transaction was approximately RMB7.996 billion. Upon completion of the transaction, Sunac China will hold 50% interest in Shanghai Dynasty on the Bund Project Company, which will become a non wholly-owned subsidiary of Sunac China. The project is located along the Huangpu River of Huangpu District, Shanghai, north to Zhongshan South Road, east to Zhizaoju Road, south to Longhua East Road, west to Mengzi Road. The land is a rarity in the central Shanghai, enjoying the river view of the Huangpu Jiang River. The site area and the GFA of Shanghai Dynasty on the Bund is approximately 110,700 sq.m. and approximately 660,700 sq.m. respectively.

Tianjin Shuangjie Project

On 28 June 2013, Tianjin Rongyao Real Estate Company Limited, a non wholly-owned subsidiary of the Company, acquired the Tianjin Shuangjie Project at a consideration of approximately RMB1.132 billion. The consideration payable by the Company was approximately RMB611 million. Upon completion of the transaction, the Company will hold 54% interest in the project. Located at the core of Shuangjie Town, Beichen District, Tianjin, with the Jing-Jin Express in the east, the project is convenient in transport. It is surrounded by rivers on three sides with beautiful riverside scenery. The site area and the GFA of the project is approximately 248,100 sq.m. and approximately 619,700 sq.m. respectively.

Outlook for the second half of 2013

For the second half of 2013, the Company does not expect the government to change its macro-control measures on the real estate industry in the near future. However, such non-marketization measures as administration's intervention will gradually be replaced by marketization measures to allow the market to decide for itself, which will be beneficial for the long-term and healthy growth of real estate market. In the second half of the year, the relative tight demand and supply in the first and second tier cities will not change in a short term and the market will remain stable but promising. At the same time, the Company expects that the local governments will increase their land supply and more quality land will be supplied to the market. Intense competition among enterprises on quality land will remain.

In the second half of the year, the Company is expected to begin selling 12 new projects successively. With sufficient high quality products, the achievement on the yearly sales target will be ensured. The Company is highly confident on achieving such yearly target. With regard to land acquisition, the Company will also continue to keep an eye on the availability of quality land and replenish our land bank with quality land in a prudent manner in the second half of the year. However, The Company will strictly follow its policies on land acquisition and would rather not to buy any land than buy useless land. In respect of the selection of the cities for land acquisition, the Company will continuously adhere to our strategy of regional focus. While the Company continues to cultivate five major regions, namely Beijing, Tianjin, Shanghai, Chongqing and Hangzhou, The Company will further study any opportunities to gain presence in new cities. The Company will not rule out the possibility that the Company may enter into one or two new cities which meet the requirement of the Company's development strategy in order to optimize the regional coverage for a better preparation for the Company's future growth.

The Company will strictly adhere to its prudent cash flow management strategy to ensure sufficient cash flow and enhance the Company's risk management capability. Meanwhile, the Company will further enhance its financing structure and lower the overall financial cost of the Company.

While the Company continues to scale up, the Company will consistently emphasize on the improvement on its management capabilities and continuously build up of a talent pool and systems. The comprehensive and integrated management and control platform, which has been built up since 2010, will provide a stronger and more systematic support to the Company on the enhancement of management efficiency and the management and control on risks. The Company believes that the enhancing capability on management and control will be important to the Company's sustainable and healthy growth.

INTERIM DIVIDENDS

The Board did not recommend the payment of any interim dividend for the six months ended 30 June 2013.

PURCHASE, SALE OR REDEMPTION OF COMPANY'S LISTED SECURITIES

During the six months ended 30 June 2013, 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. Upon specific enquiries being made with all directors of the Company, 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 2013 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 2013, complied with all applicable code provisions under the Corporate Governance Code, save and except for the deviations from code provisions A.2.1 and E.1.2.

Code provision A.2.1 provided that, the roles of chairman and chief executive should be separated 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 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 Company's annual general meeting held on 16 May 2013 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 four independent non-executive Directors, namely, Mr. Poon Chiu Kwok, Mr. Li Qin, Mr. Ma Lishan and Mr. Tse Chi Wai, 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 2013.

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 2013 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, 26 August 2013

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, Mr. MA Lishan and Mr. TSE Chi Wai.