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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)

**VOLUNTARY ANNOUNCEMENT
SUCCESSFUL ACQUISITION OF Tiantuo Land in Tianjin
IN COOPERATION WITH Tianjin Real Estate Group**

The Board is pleased to announce that, on 18 September 2013, the Company and Tianjin Real Estate Group entered into the Cooperation Agreement, pursuant to which the Company and Tianjin Real Estate Group have agreed to jointly appoint Tianjin Sunac Hongrun to participate in the public auction of Tiantuo Land from Tianjin Bureau of Land Resources.

The Board is pleased to further announce that, on 18 September 2013, Tianjin Sunac Hongrun succeeded in the bidding of Tiantuo Land from Tianjin Bureau of Land Resources at a consideration of RMB10.32 billion, which will be satisfied by the Company and Tianjin Real Estate Group in the proportion of 51% : 49% pursuant to the terms of the Cooperation Agreement, pursuant to which the Company will develop Tiantuo Land in cooperation with Tianjin Real Estate Group.

INTRODUCTION

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THE COOPERATION AGREEMENT

Parties involved in the Cooperation Agreement

- (1) the Company
- (2) Tianjin Real Estate Group

To the best of the Directors' knowledge, information and belief, having made all reasonable enquiry, as at the date of this announcement, Tianjin Real Estate Group and its ultimate beneficial owner are independent third parties not connected with the Company and its connected persons.

Cooperation between the Company and Tianjin Real Estate Group

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Consideration of the Land and Payment

The consideration for the acquisition of Tiantuo Land is RMB10.32 billion, which is determined through a public auction and the Directors consider that the consideration is fair and reasonable having taken into account the location and development potential of Tiantuo Land.

Pursuant to the terms of the Cooperation Agreement, the consideration of Tiantuo Land will be satisfied by the Company and Tianjin Real Estate Group in the proportion of 51% : 49%.

According to the transfer condition of Tiantuo Land, the land transfer agreement shall be entered into prior to 9 October 2013. Within 30 days after entering into the land transfer agreement, land premium payable shall represent 50% of the consideration. Of which, the Company shall pay RMB2 billion and Tianjin Real Estate Group shall pay the remaining amount.

Within 180 days after entering into the land transfer agreement, the remaining land premium shall be fully settled and shall be jointly paid by the Company and Tianjin Real Estate Group. Upon full settlement of land premium, the accumulated land premium to be paid by the Company and Tianjin Real Estate Group shall be in the proportion of 51% : 49%, respectively.

Information about the Land

Tiantuo Land is located at Nankai District, Tianjin, the PRC, east to Hongqi Road and Saide Square, south to Baoze Street, west to Guihua Suifeng Road, north to Tiantuo North Road, and with a construction site area of 374,017.4 square metres, a planned above-ground gross floor area not exceeding 1,020,900 square metres and floor price of approximately RMB10,109. It shall be used for residential, commercial and financial purposes. Tiantuo Land is one of the rare high quality and large-scale composite projects in the core district of Tianjin. It is adjacent to Central Ring Road, Urban Expressways and Metro Line No.6 in the east and west, offering convenient transportation; it is adjacent to Tianjin Houtai Scenic Area in the north west and boasts unparalleled natural environment. Besides, the project is in close proximity with tertiary research institutions such as Nankai University and Tianjin University and next to Tianjin Kemao Road and Nankai Photoelectron Industrial Park and possesses unrivalled industrial advantages and enjoys robust economic development with such high concentration of technology enterprises.

Business scope and operation of Tianjin Sunac Hongrun

Tianjin Sunac Hongrun is principally engaged in property development in the PRC. The Company and Tianjin Real Estate Group will cooperate with each other regarding the development and construction of the property project on Tiantuo Land. The Company will be responsible for operational management and project control and development. Subject to the approval of the Board, key projects will be implemented by the Company while Tianjin Real Estate Group will be responsible for supervision.

Board composition of Tianjin Sunac Hongrun

The Board of Tianjin Sunac Hongrun will comprise six members, three of whom (including the chairman of the board of Directors of Tianjin Sunac Hongrun) will be appointed by Tianjin Real Estate Group while the other three members will be appointed by the Company. The Company will also have the right to appoint one general manager and one finance manager of Tianjin Sunac Hongrun, while Tianjin Real Estate Group will have the right to appoint the legal representative and one chief financial officer of Tianjin Sunac Hongrun. Other members of the management team will be nominated both by the Company and Tianjin Real Estate Group and to be employed by the general manager of Tianjin Real Estate Group.

REASONS FOR AND BENEFITS OF THE TRANSACTION

Tiantuo Land is situated at Tianjin, the city where the headquarters of the Company is located. The Company has been developing in Tianjin for over a decade and has successfully developed numerous high-end quality projects in Tianjin. It has garnered extensive experience and possesses strong brand recognition in Tianjin. The acquisition of Tiantuo Land is in line with the Group's development plan going forward and will enhance the Group's leading position and enlarge the Group's market share in Tianjin which is in line with the Group's long term business objective. Further, Tianjin Real Estate Group is a large-scale state owned enterprise in Tianjin City and is an experienced properties developer. The strong union between both parties is beneficial in raising the value of the land. Accordingly, the Directors (including the independent non-executive Directors) consider that the acquisition of Tiantuo Land, the entering of the Cooperation Agreement and the transactions contemplated under the Cooperation Agreement have been made on normal commercial terms and that such terms are fair and reasonable so far as the Company and the Shareholders are concerned and that it is in the interest of the Company and the Shareholders as a whole.

INFORMATION ON THE PARTIES

The Company is a company incorporated in the Cayman Islands with limited liability, whose shares are listed on the main board of the Stock Exchange. It is one of the leading real estate developers in the PRC. As at the date of this announcement, the Group has developed or is developing high-end and high-quality property projects in five key economic regions across the PRC, namely Beijing, Tianjin, Shanghai, Chongqing and Hangzhou.

Tianjin Real Estate Group is a large-scale state owned enterprise in Tianjin City and is principally engaged in property development and investment, etc.

Tianjin Sunac Hongrun is a company established in the PRC with limited liability and a registered capital of RMB100,000,000. Tianjin Sunac Hongrun will be indirectly held as to 51% equity interest by the Company and indirectly held as to 49% equity interest by Tianjin Real Estate Group and will become a jointly controlled entity of the Company and Tianjin Real Estate Group. It is principally engaged in property development in the PRC.

DEFINITIONS

In this announcement, unless the context otherwise requires, the following expressions have the following meanings:

“Board”	the board of Directors
“Company”	Sunac China Holdings Limited, a company incorporated under the laws of the Cayman Islands with limited liability and whose shares are listed on the Stock Exchange (Stock Code: 1918)
“Connected person(s)”	has the meaning ascribed to it under the Listing Rules
“Cooperation Agreement”	the cooperative development framework agreement entered into between the Company and Tianjin Real Estate Group dated 18 September 2013 in relation to the cooperation in Tianjin Sunac Hongrun and the co-development of Tiantuo Land
“Director(s)”	director(s) of the Company
“Group”	the Company and its subsidiaries
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Independent third party”	an individual(s) or a company(ies) who or which is/are not connected (within the meaning of the Listing Rules) with Directors, chief executive or substantial shareholders (within the meaning of the Listing Rules) of the Company, its subsidiaries or any of their respective associates

“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“PRC”	the People’s Republic of China
“RMB”	Renminbi, the lawful currency in the PRC
“Shareholder(s)”	shareholder(s) of the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Tianjin Bureau of Land Resources”	Tianjin Municipal Bureau of Land Resources and Real Estate Management (天津市國土資源與房產管理局), a government department responsible for land and resources under the Tianjin Municipal People’s Government
“Tianjin Real Estate Group”	Tianjin Real Estate Development Management Group Co., Ltd. (天津市房地產開發經營集團有限公司), a limited liability company established in the PRC
“Tianjin Sunac Hongrun”	天津融創泓潤置業有限公司 (Tianjin Sunac Hongrun Real Estate Co., Ltd.), a limited liability company established in the PRC
“Tiantuo Land”	the land located at Nankai District, Tianjin, the PRC, east to Hongqi Road and Saide Square, south to Baoze Street, west to Guihua Suifeng Road, north to Tiantuo North Road, (天津市南開區，東至紅旗路、賽德廣場，南至保澤道，西至規劃歲豐路，北至天拖北路) and with a total site area of 374,017.4 square metres and a gross floor area of 1,020,900 square metres
“%”	per cent.

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

Hong Kong, 19 September 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.