

**THE GREATER CHINA FUND, INC. REPORTS EARNINGS AND HOLDINGS**

**NEW YORK, N.Y., August 28, 2009**

The Greater China Fund, Inc. (the "Fund") (NYSE: GCH), a closed-end, non-diversified management investment company seeking long-term capital appreciation, today announced its investment results for the second quarter and six months ended June 30, 2009.

	<u>At June 30,</u>	
	<u>2009</u>	<u>2008</u>
Net Assets	\$273,668,212	\$222,028,353
Shares Outstanding	22,765,665	16,828,042
Net Asset Value ("NAV")	\$12.02	\$13.19
Market Price	\$11.10	\$12.94
Discount to NAV	(7.65)%	(1.90)%

	<u>Quarter Ended June 30,</u>	
	<u>2009</u>	<u>2008</u>
Net Investment Income	\$2,216,282	\$2,369,641
Per Share	\$0.10	\$0.14
Net Realized and Unrealized Gain/Loss	\$68,605,507	(\$31,159,425)
Per Share	\$3.01	(\$1.85)
Distributions Paid from Net Realized Gains	\$0	(\$112,074,762)
Per Share	\$0.00	(\$6.66)

	<u>Six Months Ended June 30,</u>	
	<u>2009</u>	<u>2008</u>
Net Investment Income	\$1,536,775	\$1,570,845
Per Share	\$0.07	\$0.09
Net Realized and Unrealized Gain/Loss	\$69,621,534	(\$153,950,587)
Per Share	\$3.06	(\$9.15)
Distributions Paid from Net Realized Gains	\$0	(\$112,074,762)
Per Share	\$0.00	(\$6.66)

**Allocation of Net Assets**

Equities:	
China	69.5%
Hong Kong	20.8%
Singapore	1.9%
Taiwan	4.1%
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	96.3%
Short-Term Investment	2.3%
Investments of Cash Collateral from Securities Loans	3.6%
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	102.2%
Liabilities, in excess of cash and other assets	(2.2)%
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Net Assets	100.0%
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**Top Ten Equity Holdings**

Representing 28.5% of net assets
- Industrial & Commercial Bank of China Ltd. "H"
- China Mobile (Hong Kong) Ltd.
- China Life Insurance Co. Ltd. "H"
- China Merchants Bank Co. Ltd. "H"
- CNOOC Ltd.
- Ping An Insurance (Group) Co. of China Ltd. "H"
- Cheung Kong Holdings Ltd.
- China Shenhua Energy Co. Ltd. "H"
- China Construction Bank "H"
- China CITIC Bank "H"

The Fund's investment manager is Baring Asset Management (Asia) Limited.

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