

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

**NEW YORK, N.Y., March 2, 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 fourth quarter and fiscal year ended December 31, 2008.

	<u>At December 31,</u>	
	<u>2008</u>	<u>2007</u>
Net Assets	\$202,509,903	\$486,482,857
Shares Outstanding	22,765,665	16,828,042
Net Asset Value ("NAV")	\$8.90	\$28.91
Market Price	\$8.32	\$24.81
Discount to NAV	(6.52)%	(14.18)%

	<u>Quarter Ended December 31,</u>	
	<u>2008</u>	<u>2007</u>
Net Investment Gain/(Loss)	\$337,894	(\$418,773)
Per Share	\$0.01	(\$0.02)
Net Realized and Unrealized Loss	(\$29,371,484)	(\$69,887,253)
Per Share	(\$1.29)	(\$4.15)
Distributions Paid from Net Realized Gains	\$0	(\$190,156,878)
Per Share	\$0.00	(\$11.30)

	<u>Fiscal Year Ended December 31,</u>	
	<u>2008</u>	<u>2007</u>
Net Investment Income	\$2,842,396	\$53,984
Per Share	\$0.12	\$0.00
Net Realized and Unrealized Gain/(Loss)	(\$253,176,584)	\$295,035,936
Per Share	(\$11.12)	\$17.55
Dividends Paid from Net Investment Income	\$0	(\$466,137)
Per Share	\$0.00	(\$0.03)
Distributions Paid from Net Realized Gains	(\$112,074,762)	(\$220,662,753)
Per Share	(\$6.66)	(\$13.11)

**Allocation of Net Assets**

Equities:	
China	77.6%
Hong Kong	16.3%
Taiwan	1.7%
	<hr/>
	95.6%
Convertible Bond	1.0%
Short-Term Investment	3.2%
Investments of Cash Collateral from Securities Loanec	12.9%
	<hr/>
	112.7%
Liabilities, in excess of cash and other assets	(12.7)%
	<hr/>
Net Assets	<u>100.0%</u>

**Top Ten Equity Holdings**

Representing 55.9% of net assets

- China Mobile (Hong Kong) Ltd.
- Industrial & Commercial Bank of China Ltd. "H"
- China Life Insurance Co. Ltd. "H"
- China Construction Bank "H"
- CNOOC Ltd.
- Ping An Insurance (Group) Co. of China Ltd. "H"
- PetroChina Co. Ltd. "H"
- China Overseas Land & Investment Ltd
- China Petroleum & Chemical Corp. "H"
- Cheung Kong Holdings Ltd.

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

(END)

