

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.

This announcement is for information only and is not an offer to sell or the solicitation of an offer to buy securities and neither this announcement nor anything herein forms the basis for any contract or commitment whatsoever. This announcement is not an offer of securities for sale in the United States or to any U.S. person. Neither this announcement nor any copy hereof may be taken into or distributed in the United States or to any U.S. person. The securities have not been and will not be registered under the United States Securities Act of 1933, as amended, and may not be offered or sold in the United States or to any U.S. person absent registration or an exemption from registration. Any public offering of securities to be made in the United States will be made by means of an offering circular that may be obtained from the Company and will contain detailed information about the Company and management, as well as financial statements. The Company does not intend to register any of the securities in the United States.



COUNTRY GARDEN HOLDINGS COMPANY LIMITED

碧桂園控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 2007)

OFFERING OF US\$550 MILLION 11.25% SENIOR NOTES DUE 2017

On 15 April 2010, the Company, the Subsidiary Guarantors, the Subsidiary Guarantor Pledgors and the Initial Purchasers entered into a Purchase Agreement in relation to the issue of US\$550 million 11.25% senior notes due 2017.

The estimated net proceeds of the Notes Issue will amount to approximately US\$533 million and the Company intends to use approximately US\$127.5 million of the net proceeds from this offering to pay for the Convertible Bonds tendered and accepted for purchase pursuant to the Invitation to Tender, and hold the excess amount in one or more bank accounts outside the PRC to finance the redemption of any Convertible Bonds upon the exercise of the redemption option by holders thereof on 22 February 2011. The Company expects to use any excess proceeds remaining after satisfying payment for such redemption to fund existing and new property projects (including construction costs and land premium) and for general corporate purposes.

Approval in-principle has been received for the listing of Notes on the SGX-ST. Admission of the Notes to the Official List of the SGX-ST is not to be taken as an indication of the merits of the Company, the Subsidiary Guarantors, the Company's associated companies or the Notes. The SGX-ST assumes no responsibility for the correctness of any of the statements made, opinions expressed or reports contained in this announcement.

The Notes are expected to be issued on or about 22 April 2010.

Reference is made to the announcement of the Company dated 7 April 2010 in relation to, inter alia, the Notes Issue. The Board is pleased to announce that on 15 April 2010, the Company, the Subsidiary Guarantors, the Subsidiary Guarantor Pledgors and the Initial Purchasers entered into the Purchase Agreement in relation to the Notes Issue.

THE PURCHASE AGREEMENT

Date: 15 April 2010

Parties: (a) the Company as the issuer;

(b) the Subsidiary Guarantors as the guarantors of the Company's obligations under the Notes;

(c) the Subsidiary Guarantor Pledgors that will pledge the capital stock of other Subsidiary Guarantors held by them to secure the obligations of the Company under the Notes and the Indenture and their obligations under their respective Subsidiary Guarantees; and

(d) the Initial Purchasers.

Goldman Sachs and J.P. Morgan are Initial Purchasers as well as the joint bookrunners and joint lead managers in respect of the offer and sale of the Notes. To the best of the Directors' knowledge, information and belief having made all reasonable enquiries, each of Goldman Sachs and J.P. Morgan is an independent third party and not a connected person of the Company and its connected persons.

None of the Notes will be offered to the public in Hong Kong and none of the Notes will be placed to any connected persons of the Company.

Principle terms of the Notes

Issuer: the Company

Aggregated principle amount: US\$550 million

Offering price: 99.408% of the principal amount of the Notes and accrued interest, if any

Trade date: 15 April 2010

Interest rate: 11.25% per annum, payable semi-annually in arrears on 22 April and 22 October of each year, commencing 22 October 2010

Maturity: 22 April 2017

Subsidiary Guarantees: guarantees will be provided by the Subsidiary Guarantors

The Notes are general obligations of the Company and guaranteed by the Subsidiary Guarantors on a senior basis. The Notes are senior in right of payment to any existing and future obligations of the Company expressly subordinated in right of payment to the Notes and rank at least pari passu in right of payment with all other unsecured, unsubordinated indebtedness of the Company (subject to any priority rights of such unsubordinated indebtedness pursuant to applicable law). The Notes are also effectively subordinated to all existing and future obligations of the subsidiaries of the Company other than the Subsidiary Guarantors.

Covenants

The Notes, the Indenture and the guarantees to be provided by the Subsidiary Guarantors will limit the Company's ability and the ability of its restricted subsidiaries to, among other things:

- (a) incur or guarantee additional indebtedness and issue disqualified or preferred stock;
- (b) declare dividends on its capital stock or purchase or redeem capital stock;
- (c) make investments or other specified restricted payments;
- (b) issue or sell capital stock of restricted subsidiaries;
- (e) guarantee indebtedness of restricted subsidiaries;
- (f) sell assets;
- (g) create liens;
- (h) enter into sale and leaseback transactions;
- (i) enter into agreements that restrict the restricted subsidiaries' ability to pay dividends, transfer assets or make intercompany loans;
- (j) enter into transactions with shareholders or affiliates; and
- (k) effect a consolidation or merger.

Events of default

The events of defaults under the Notes include, among other things:

- (i) default in the payment of principal;
- (ii) default in the payment of interest;
- (iii) defaults in the performance of or breaches any other covenant or agreement in the Indenture or under the Notes;
- (iv) there occurs with respect to any indebtedness of the Company or any restricted subsidiary having an outstanding principal amount of US\$10 million or more in the aggregate for all such indebtedness;
- (v) one or more final judgments or orders for the payment of money are rendered against the Company or any of its restricted subsidiaries and are not paid or discharged;
- (vi) involuntary bankruptcy or insolvency proceedings against the Company or any restricted subsidiary;
- (vii) voluntary bankruptcy or insolvency proceedings commenced by the Company or any restricted subsidiary; and
- (viii) default by the Company or any Subsidiary Guarantor Pledgor in the performance of any of its obligations under the security provided in relation to the Notes.

Redemption

At any time and from time to time on or after 22 April 2014, the Company may redeem the Notes, in whole or in part, at a redemption price equal to the percentage of principal amount set forth below plus accrued and unpaid interest to (but not including) the redemption date if redeemed during the twelve month period beginning on 22 April of each of the years indicated below.

Period	Redemption price
2014	105.625%
2015	102.8125%
2016 and thereafter	100.00%

At any time prior to 22 April 2014, the Company may at its option redeem the Notes, in whole but not in part, at a redemption price equal to 100% of the principal amount of the Notes plus the applicable premium as of, and accrued and unpaid interest, if any, to (but not including) the redemption date. The Company will give not less than 30 days' nor more than 60 days' notice of any redemption.

At any time and from time to time prior to 22 April 2013, the Company may redeem up to 35% of the aggregate principal amount of the Notes with the proceeds from sales of certain kinds of the Company's capital stock at a redemption price of 111.25% of the principal amount of the Notes, plus accrued and unpaid interest, if any, to (but not including) the redemption date, provided that at least 65% of the aggregate principal amount of the Notes originally issued remains outstanding after each such redemption and any such redemption takes place within 60 days after the closing of the related sale of the Company's capital stock and subject to certain conditions.

Reason for the Notes Issue

The Company believes that the Notes Issue reflects its proactive approach to liability management. The Company believes that the success of the Notes Issue and Invitation to Tender would extend its average debt maturity profile and help to maintain its strong liquidity position. The Notes Issue will further enhance the Company's international capital market profile and improve its ability to access the international debt capital markets to support the growth of the Company in the future.

Proposed use of proceeds

The estimated net proceeds of the Notes Issue will amount to approximately US\$533 million and the Company intends to use approximately US\$127.5 million of the net proceeds from this offering to pay for the Convertible Bonds tendered and accepted for purchase pursuant to the Invitation to Tender, and hold the excess amount in one or more bank accounts outside the PRC to finance the redemption of any Convertible Bonds upon the exercise of the redemption option by holders thereof on 22 February 2011. The Company expects to use any excess proceeds remaining after satisfying payment for such redemption to fund existing and new property projects (including construction costs and land premium) and for general corporate purposes.

Listing

Approval in-principle has been received for the listing of Notes on the SGX-ST. Admission of the Notes to the Official List of the SGX-ST is not to be taken as an indication of the merits of the Company, the Subsidiary Guarantors, the Company's associated companies or the Notes. No listing of the Notes has been sought in Hong Kong. The Notes will not be designated for trading in the Financial Industry Regulatory Authority, Inc.'s PORTAL Market.

Rating

The Notes have been rated BB- by Standard & Poor's and Ba3 (with a negative outlook) by Moody's.

ABOUT COUNTRY GARDEN

The Group is one of the leading integrated property developers in the PRC, with substantially all of the Group's assets and operations based in the PRC. The Group's primary business is the development of large-scale residential community projects and the sale of various types of properties, including townhouses, apartment buildings, parking spaces and retail shops. As an integrated property developer, the Group's lines of business also include construction, installation, fitting and decoration as well as property management. Ancillary to the Group's projects, the Group also develops and manages hotels within some of the Group's projects to enhance their potential for value appreciation. The residential projects of the Group are generally located in suburban areas of first-tier cities, and in the newly urbanized town centers of second-and third-tier cities.

DEFINITIONS

In this announcement, the following expressions shall have the meanings set out below unless the context requires otherwise:

“Board”	the board of Directors of the Company
“Company”	Country Garden Holdings Company Limited, a company incorporated in the Cayman Islands with limited liability, the shares of which are listed on the main board of the Stock Exchange
“connected person”	has the meaning ascribed to it under the Listing Rules
“Convertible Bonds”	the RMB4,314,000,000 in aggregate principal amount of US dollar settled 2.5% convertible bonds due 2013 issued by the Company bearing ISIN: XS0347451022 and Common Code: 034745102
“Directors”	the directors of the Company
“Group”	the Company and its subsidiaries

“Goldman Sachs”	Goldman Sachs (Asia) L.L.C.
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Indenture”	the indenture to govern the Notes
“Invitation to Tender”	the invitation by the Company to the holders of the Convertible Bonds to tender the Convertible Bonds for purchase by the Company for cash upon terms and conditions set forth in the tender offer memorandum dated 7 April 2010 made available to the holders of the Convertible Bonds in connection with the Invitation to Tender, brief particulars of which are set out in the announcement of the Company dated 7 April 2010 in relation to, inter alia, the Invitation to Tender
“J.P. Morgan”	J.P. Morgan Securities Ltd.
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Notes”	US\$550 million 11.25% senior notes due 2017 to be issued by the Company
“Notes Issue”	the issue of the Notes by the Company
“PRC”	the People’s Republic of China
“Purchase Agreement”	the agreement dated 15 April 2010 entered into between the Company, the Subsidiary Guarantors, the Subsidiary Guarantor Pledgors and the Initial Purchasers in relation to the Notes Issue
“RMB”	Renminbi yuan, the lawful currency of the PRC
“Securities Act”	the United States Securities Act of 1933, as amended
“SGX-ST”	Singapore Exchange Securities Trading Limited
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Subsidiary Guarantees”	guarantees to be provided by the Subsidiary Guarantors
“Subsidiary Guarantors”	certain subsidiaries of the Company which will provide guarantees at the original issue date of the Notes to secure the Company’s obligations under the Notes

“Subsidiary Guarantor Pledgors”	each a Subsidiary Guarantor that will pledge the capital stock of other Subsidiary Guarantors held by it to secure the obligations of the Company under the Notes and the Indenture and of such Subsidiary Guarantor under its Subsidiary Guarantee
“US\$”	US dollar, the lawful currency of the United States of America
“%”	per cent

By order of the Board
Country Garden Holdings Company Limited
CUI Jianbo
President and Executive Director

Hong Kong
16 April 2010

As at the date of this announcement, the Board of Directors of the Company comprises twelve Directors of which Mr. YEUNG Kwok Keung (Chairman), Mr. CUI Jianbo, Ms. YANG Huiyan, Mr. YANG Erzhu, Mr. SU Rubo, Mr. ZHANG Yaoyuan, Mr. OU Xueming, Mr. YANG Zhicheng and Mr. YANG Yongchao are executive Directors and Mr. LAI Ming, Joseph, Mr. SHEK Lai Him, Abraham and Mr. TONG Wui Tung, Ronald are independent non-executive Directors.