



# 碧桂園控股有限公司

COUNTRY GARDEN HOLDINGS COMPANY LIMITED

(於開曼群島註冊成立的有限公司)

(Incorporated in the Cayman Islands with limited liability)

股份代號 Stock Code: 2007

## 2012 中期報告

Interim Report



碧桂園·十里銀灘實景  
Photo of Country Garden-Ten Miles Beach

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— Country Garden — Ten Miles Beach

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# Corporate Profile

Country Garden Holdings Company Limited (“Country Garden” or the “Company”) together with its subsidiaries, (collectively, the “Group”) (stock code: 2007.HK) is one of China’s leading integrated property developers. The Group runs a centralized and standardized business model that comprises construction, decoration, project development, property management, as well as hotel development and management. Country Garden offers a broad range of products to cater for diverse market demands. Its various products include large-scale residential projects such as townhouses, apartment buildings, as well as car-parks and retail shops. The Group also develops and manages hotels within some of its projects to enhance the potential for property value appreciation. It also develops hotels which are independent of property developments. The Group’s brand was named by the People’s Republic of China (the “PRC”) State Administration for Industry and Commerce in 2006 as “China’s Well-known Trademarks”.

Country Garden was listed on the Main Board of the Hong Kong Stock Exchange on 20 April 2007. The listing not only provided the Group with additional funding to sustain healthy growth in the future, but it also assisted the Group to establish its foothold in the international capital market. Country Garden was well recognized by the market post listing. It was included in the MSCI Global Standard Index on 1 September 2007. It also became a constituent stock of the Hang Seng Composite Index, Hang Seng Mainland Composite Index and Hang Seng Mainland Freefloat Index on 10 September 2007. All these symbolized the capital market’s recognition of Country Garden as a major component of the Hong Kong stock market and also strengthened the Group’s benchmarking position in the international capital markets.

Since its inception in 1997, Country Garden has been benefiting from the flourishing economy of the PRC, particularly in Guangdong Province. As at 30 June 2012, Country Garden had operations in a number of strategically selected locations beyond Guangdong Province, including Hunan Province, Jiangsu Province, Hubei Province, Liaoning Province, Anhui Province, Heilongjiang Province, Hainan Province, Zhejiang Province, Shandong Province, Chongqing Municipality, Tianjin Municipality, Inner Mongolia Autonomous Region, Guangxi Zhuang Autonomous Region of China as well as State of Selangor of Malaysia. The associated strategic acquisitions further reinforced the Group’s leading position in Guangdong Province and strengthened its developments in other provinces across the nation, demonstrating the excellent execution ability and the strong replication potential of the Group’s successful business model.

Looking ahead, Country Garden will continue to focus on developing high quality property projects in the suburban areas of first tier cities as well as second and third tier cities with promising economic growth potential. Leveraging on its unique competitive strengths, and under the direction and guidance of government’s macro policies, Country Garden will further replicate its successful business model into new high growth regions through strategic selection of project locations, a short project development schedule characterized by fast asset turnover and excellent execution ability, as well as innovative product offering closely in line with market demand, all with a view to developing the Group into a leading large-scale residential property developer with a national presence and a well recognized brand name.



— Country Garden Phoenix City



— Country Garden Shine Hill Lake City

# Chairman's Statement

## HIGHLIGHTS

- Total revenue for the six months ended 30 June 2012 amounted to approximately RMB16.8 billion, representing an increase of approximately 7.2% compared with the first six months of 2011; recognised average selling price of property reached approximately RMB6,636 per sq.m., representing an increase of approximately 29.6% compared with the first six months of 2011.
- Profit attributable to owners of the Company amounted to approximately RMB3.0 billion, representing an increase of approximately 3.7% compared with the first six months of 2011.
- The successful share placement earlier this year generated net proceeds of approximately HK\$2.14 billion.
- Earnings per share amounted to approximately RMB16.64 cents, increased by approximately 1.2% compared with the first six months of 2011.<sup>1</sup>

Dear Shareholders,

I am pleased to present the interim results of Country Garden Holdings Company Limited ("Country Garden" or the "Company", together with its subsidiaries, the "Group") for the six months ended 30 June 2012.

The Group's total revenue and gross profit reached approximately RMB16,766.8 million and RMB6,958.9 million respectively, representing a year-on-year increase of approximately 7.2% and 36.8%, respectively. Recognised average selling price of property for the period rose on a year-on-year basis by approximately 29.6% to approximately RMB6,636 per sq.m., and has offset the impact on revenue due to an approximately 17.8% year-on-year decrease in recognised gross floor area ("GFA") to approximately 2.40 million sq.m.. Profit attributable to owners of the Company rose to approximately RMB2,976.1 million, posting a year-on-year increase of approximately 3.7%. The Board did not recommend the payment of interim dividend for the six months ended 30 June 2012.

During the period under review, Country Garden, as always, in accordance with national policies, actively responded to the market changes and made timely adjustments to its development and sales plan, offered high value-for-money products to suit the user-oriented demand. The Group's contracted sales in the first half of 2012 amounted to approximately RMB17.3 billion and contracted GFA totaled approximately 2.85 million sq.m., progress of which was in line with the target determined at the beginning of the year. Facing the ever-changing market environment, the Group has adopted active and flexible sales strategy. While the Group continued to further enhance the environmental features, ancillary facilities of its projects and its product quality, it also adopted various marketing activities which promoted sales and also benefited the Group's long-term sustainable development. The two major projects under promotion in the first half of 2012, namely Country Garden — Ten Miles Beach and Country Garden — Phoenix City (Jurong), have both launched its Phase 2 products in June. Country Garden — Ten Miles Beach recorded an absorption rate of approximately 90% on its debut date of Phase 2 launch while Country Garden — Phoenix City (Jurong) achieved an absorption rate of approximately 80% of its debut date of Phase 2 launch. These two projects have achieved transaction amounts of approximately RMB1.68 billion and RMB580 million respectively in June alone. In addition, the Group's first downtown project in Qingyuan City of Guangdong Province, named as Country Garden Shine Hill Lake City, commenced its debut launch in July and was well received by the customers, with approximately RMB540 million transactions achieved for the first two

Note:

- (1) Earnings per share for the six months ended 30 June 2011 has been adjusted for the effect of issuance of shares under the scrip dividend scheme in June 2012.

## Chairman's Statement

days of launch. The Group's first project in Chenzhou City of Hunan Province, named as Country Garden — Jade Hill, commenced its debut launch in August, and also recorded very good sales performance, with approximately RMB600 million transactions achieved on the first day of launch.

The Group continued to achieve strong results in Guangdong Province, its core market, which accounted for around 64% of the Group's total contracted sales in the first half of 2012. Moreover, with the new projects outside Guangdong gradually reaching the delivery phases, and the improvement in the surrounding environment and ancillary facilities of these new projects over the past two to three years, the Board believes that the recognition of Country Garden's brand name has been further enhanced outside Guangdong. This will not only boost the revenue growth of these new projects, but will also set a solid foundation for the long-term development of the Group. The ratio of the contracted sales of the projects outside Guangdong Province to that of the Group has increased from approximately 24% in 2008 to approximately 36% in the first half of 2012, which verifies that the Group's successful business model in Guangdong Province is replicable in places outside Guangdong Province.

As of 30 June 2012, the Group had 110 projects under different stages of development, including 64 in Guangdong. Attributable GFA with land use right certificates, development and operation rights or land title was approximately 54.8 million sq.m. (approximately 46.5% in Guangdong), among which attributable GFA with construction permits was around 14.47 million sq.m..

Alongside the continuing expansion in property development and sales, the Group's hotel business broadened its recurring income stream from non-residential developments, diversifying the Group's property income portfolio. Hotel revenue in the first half of 2012 amounted to approximately RMB439.5 million, representing a year-on-year growth of about 36.1%. As of 30 June 2012, the Group operated 7 five-star hotels, 20 five-star standard hotels, as well as 2 four-star hotels, with a total of 8,882 guest rooms. Most of the Group's hotels are located within the Group's property projects. The development of five-star standard hotels within these property projects assists in sales promotion and enhances the ancillary value of the projects. In order to unlock the long-term potential of the hotel business, the Group has teamed up with world renowned hotel management groups such as Hilton and Maritim as a long-term strategy.

In the aspect of internal management, the Group further consolidated the achievements from the reforms since 2010. In particular, in the aspect of enriching customer service, the Group has established the Customer Relations Management Center in March 2012, the corresponding work of which will be carried out with the mission of "property owners as top priority; to realize value for the customers." The goal here is to continuously enhance customer satisfaction and corporate reputation.

With regards to financial management, the Group actively explored various funding channels in the capital markets in addition to its strong bank financing capabilities with major commercial banks. On 29 February 2012, the Group successfully completed share placement which generated net proceeds of approximately HK\$2.14 billion. It helps to reduce the Group's gearing level, broaden the capital base and shareholder base of the Company and also increase the liquidity of its shares, but without resulting in significant dilution on the earnings base and the shareholding percentage of the existing shareholders. The Group also announced the early termination of the equity swap, removing the potential overhang on the liquidity and trading of the Company's shares when the equity swap expires in 2013. As of 30 June 2012, the Group's net gearing ratio was approximately 58.0%, representing a decrease of approximately 5.3 percentage points as compared with the level as of 31 December 2011.

The Company appointed Ms. YANG Huiyan as the Vice Chairman of the Company on 27 March 2012. Ms. YANG joined the Group in 2005 as the Manager of Procurement Department, and was appointed as an executive director of the Company in December 2006. Ms. YANG graduated from Ohio State University with a degree in Marketing and Logistics. Ms. YANG is primarily responsible for the strategic development of the Group.

2012 marks the 20th anniversary of Country Garden, as well as the 5th anniversary of the Company's listing. Looking forward, the Group will continue to strategically select and develop property projects that are in line with national development strategies and the macroeconomic environment, leveraging on the Group's fast track development and strong project execution capabilities to maintain quick asset turnover. We are committed to offering high value-for-money property products, creating value for the society and generating satisfactory returns for our shareholders.

### APPRECIATION

On behalf of the Board, I would like to extend my sincere gratitude as always to the entire management team and every staff member of Country Garden. The growth of Country Garden would not have been possible without your dedication and contribution. The Group would also like to thank the local governments for their continued support in making possible the smooth progress of our various projects. We would also like to express our appreciation to our shareholders, investors, customers and business partners for their strong support and confidence in the Group. The management and staff of Country Garden will continue to dedicate their professional knowledge with excellent team spirit to create lucrative returns for our shareholders.

#### **YEUNG Kwok Keung**

*Chairman*

Foshan, Guangdong Province, PRC  
23 August 2012



— Country Garden — Ten Miles Beach

# Project Overview

The following map shows where the 109 projects in China of the Group as of 30 June 2012 were located:



## Guangdong

1. Country Garden East Court
2. Shawan Country Garden
3. Huanan Country Garden — Phases One to Five and Phase Seven
4. Huanan Country Garden — Phase Six
5. Licheng Country Garden
6. Country Garden Phoenix City
7. Nansha Country Garden
8. Holiday Islands — Huadu
9. Shunde Country Garden — including Country Garden West Court
10. Jun'an Country Garden
11. Peninsula Country Garden
12. Gaoming Country Garden
13. Nanhai Country Garden
14. Heshan Country Garden
15. Wuyi Country Garden
16. Xinhui Country Garden
17. Taishan Country Garden
18. Yangdong Country Garden
19. Zhaoqing Lanling Residence
20. Zhaoqing Country Garden
21. Shaoguan Country Garden
22. Huiyang Country Garden
23. Lechang Country Garden
24. Enping Country Garden
25. Shanwei Country Garden
26. Shaoguan Country Garden — Sun Palace
27. Sihui Country Garden
28. Maoming Country Garden
29. Yangshan Country Garden
30. Country Garden — Lychee Park
31. Zhaoqing Country Garden — Hill Lake Palace
32. Country Garden — Park Prime
33. Country Garden — Grand Garden
34. Country Garden — Sunshine Coast
35. Holiday Islands — Qingyuan
36. Country Garden Wonderland
37. Dalang Country Garden
38. Country Garden Grand Palace
39. Huaiji Country Garden
40. Country Garden City Garden
41. Country Garden Grand Palace
42. Deqing Country Garden
43. Yunfu Country Garden
44. Jianghai Country Garden

45. Xinhui Country Garden — Phase Four
46. Country Garden — Ten Miles Beach
47. Country Garden — Spring City
48. Country Garden Grand Lake
49. Fengkai Country Garden
50. Haifeng Country Garden
51. Country Garden — Hill Lake Grand Palace
52. Ronggui Country Garden
53. Country Garden — Dongjiang Phoenix City
54. Meijiang Country Garden
55. Country Garden Grand Garden
56. Shilou Country Garden
57. Country Garden — Jade Bay
58. Country Garden — Forest Hill Garden
59. Country Garden — Grand Palace
60. Country Garden Shine Hill Lake City
61. Country Garden — Hill Lake Bay
62. Country Garden Hill Lake Bay
63. Country Garden — Times City
64. Tangxia Country Garden

## Guangxi

65. Beiliu Country Garden
66. Pingguo Country Garden

## Hunan

67. Changsha Country Garden
68. Country Garden — Hill Lake Palace
69. Yiyang Country Garden
70. Liuyang Country Garden
71. Xiangtan Country Garden
72. Zhangjiajie Country Garden
73. Country Garden Wonderland
74. Country Garden — Jade Hill

## Chongqing

75. Changshou Country Garden

## Hubei

76. Wuhan Country Garden
77. Xianning Country Garden
78. Suizhou Country Garden Country
79. Country Garden — Hot Spring City
80. Jingmen Country Garden
81. Country Garden — Eco City
82. Wuhan Country Garden Phase Three

## Jiangsu

83. Taizhou Country Garden
84. Country Garden — Phoenix City
85. Country Garden — Triumph Palace

## Zhejiang

86. Hangzhou Country Garden

## Anhui

87. Country Garden Lakeside City
88. Chizhou Country Garden
89. Huangshan Country Garden
90. Wuhu Country Garden
91. Country Garden — Hill Lake City
92. Chaohu Country Garden
93. Anqing Country Garden
94. Country Garden — Europe City
95. Country Garden — City Garden

## Tianjin

96. Tianjin Country Garden
97. Country Garden — Deyu Office Building

## Liaoning

98. Shenyang Country Garden
99. Country Garden — Phoenix City
100. Country Garden — Sun Palace
101. Country Garden — Galaxy Palace
102. Haicheng Country Garden
103. Country Garden Grand Garden

## Inner Mongolia

104. Manzhouli Country Garden
105. Xing'anmeng Country Garden
106. Tongliao Country Garden

## Heilongjiang

107. Suihua Country Garden

## Hainan

108. Country Garden — Palm City

## Shandong

109. Country Garden — Phoenix City

In addition, the Group had 1 project in the State of Selangor of Malaysia as of 30 June 2012.

# Business Overview

## PROPERTY DEVELOPMENT

As of 30 June 2012, the Group had 110 projects at various stages of development. 64 of the projects are located in Guangdong Province including 13 in Guangzhou city, 12 in Jiangmen city, 9 in Foshan city, 7 in Zhaoqing city, 5 in Dongguan city, 4 in Qingyuan city, 3 in Shaoguan city, 2 in each of Huizhou city, Shanwei city and Meizhou city, 1 in each of Yangjiang city, Maoming city, Yunfu city, Heyuan city and Zhongshan city. Another 46 projects are located as the following: 4 in Changsha city and 1 in each of Yiyang city, Zhangjiajie city, Xiangtan city, Chenzhou city in Hunan Province, 3 in Wuhan city, 2 in Xianning city and 1 in each of Suizhou city, Jingmen city in Hubei Province, 1 in each of Taizhou city, Zhenjiang city, Wuxi city in Jiangsu Province, 2 in each of Hefei city and Chuzhou city, 1 in each of Anqing city, Chizhou city, Maanshan city, Huangshan city and Wuhu city in Anhui Province, 5 in Shenyang city and 1 in Anshan city in Liaoning Province, 1 in each of Hulunbeier city, Xing'anmeng and Tongliao city in Inner Mongolia, 1 in Suihua city in Heilongjiang Province, 1 in Chongqing Municipality, 2 in Tianjin Municipality, 1 in each of Yulin city and Baise city in Guangxi Zhuang Autonomous Region, 1 in Wenchang city in Hainan Province, 1 in Ji'nan city in Shandong Province, 1 in Hangzhou city in Zhejiang Province as well as 1 in the State of Selangor of Malaysia.

As of 30 June 2012, the Group's 110 projects had an aggregate completed GFA of 32,540,361 sq.m., and aggregate GFA under development of 15,565,971 sq.m., and aggregate GFA of 37,259,108 sq.m. relating to properties held for future development.

## PROPERTY MANAGEMENT

Through a wholly-owned property management subsidiary of the Company, Guangdong Country Garden Property Management Co. Ltd. ("Guangdong Management Co."), the Group provides post sales property management and services to the residents of each of the projects developed.

As of 30 June 2012 the Group had approximately 13,438 staff working for its 89 property management branches. The Group aims to continue to provide property management and services, including public security and assisting the management of public order, maintenance of public facilities, cleaning of public areas, domestic assistance, gardening and landscaping, intra-community shuttle bus operations and other customer services. The Group has established a market reputation for the quality of these services. For example, Guangdong Management Co. has been certified by the Ministry of Construction as a class-one property management company, the highest level a PRC property management company can achieve.

## HOTEL OPERATION

The Group has developed and currently operated 7 five-star hotels and 2 four-star hotels, as well as 20 hotels which have been developed to the five-star rating standard under the "Star-Rating Standard for Tourist Hotels". In addition, the Group has 17 hotels that are under construction in accordance with the five-star rating standard and 1 hotel that is under construction in accordance with the four-star rating standard of the "Star-Rating Standard for Tourist Hotels".

## Business Overview

The development status of the Group's hotel properties as at 30 June 2012 is as follow:

Name of Hotel	Location	Actual/ Estimated Opening Date	Number of Rooms	Star-rating <sup>(1)</sup>
Country Garden Holiday Resorts (順德碧桂園度假村)	Shunde Country Garden, Foshan, Guangdong Province	February 2000	201	Four-Star (in operation)
Phoenix City Hotel, Guangzhou (廣州鳳凰城酒店)	Country Garden Phoenix City, Guangzhou, Guangdong Province	November 2003	573	Five-Star (in operation)
Country Garden Holiday Islands Hotel (碧桂園假日半島酒店)	Qingyuan Holiday Islands Country Garden, Qingyuan, Guangdong Province	December 2004	225	Five-Star (in operation)
Country Garden Phoenix Hotel, Heshan (鶴山碧桂園鳳凰酒店)	Heshan Country Garden, Jiangmen, Guangdong Province	July 2005	283	Five-Star (in operation)
Country Garden Phoenix Hotel, Yangjiang (陽江碧桂園鳳凰酒店)	Yangdong Country Garden, Yangjiang, Guangdong Province	May 2007	342	Five-Star (in operation)
Country Garden Phoenix Hotel, Taishan (台山碧桂園鳳凰酒店)	Taishan Country Garden, Jiangmen, Guangdong Province	November 2007	337	Five-Star (in operation)
Country Garden Phoenix Hot Spring Hotel, Xianning (咸寧碧桂園鳳凰溫泉酒店)	Country Garden — Hot Spring City, Xianning, Hubei Province	November 2009	330	Five-Star (in operation)
Country Garden Phoenix Hotel, Gaoming (高明碧桂園鳳凰酒店)	Gaoming Country Garden, Foshan, Guangdong Province	November 2009	336	Five-Star (in operation)
Country Garden Phoenix Hotel, Jingmen (荊門碧桂園鳳凰酒店)	Jingmen Country Garden, Jingmen, Hubei Province	October 2010	138	Four-Star (in operation)
Country Garden Phoenix Hotel, Wuyi (五邑碧桂園鳳凰酒店)	Wuyi Country Garden, Jiangmen, Guangdong Province	December 2005	95	According to five-star rating standard (in operation)
Country Garden Phoenix Hotel, Changsha (長沙碧桂園鳳凰酒店)	Changsha Country Garden, Changsha, Hunan Province	October 2007	343	According to five-star rating standard (in operation)
Country Garden Phoenix Hotel, Zhaoqing (肇慶碧桂園鳳凰酒店)	Zhaoqing Country Garden, Zhaoqing, Guangdong Province	February 2009	285	According to five-star rating standard (in operation)
Country Garden Phoenix Hotel, Xinhui (新會碧桂園鳳凰酒店)	Xinhui Country Garden, Jiangmen, Guangdong Province	March 2009	374	According to five-star rating standard (in operation)
Country Garden Phoenix Hotel, Changshou, Chongqing (重慶長壽碧桂園鳳凰酒店)	Changshou Country Garden, Changshou, Chongqing Municipality	September 2010	335	According to five-star rating standard (in operation)

## Business Overview

Name of Hotel	Location	Actual/* Estimated Opening Date	Number of Rooms	Star-rating <sup>(1)</sup>
Maritim Hotel, Wuhu (蕪湖碧桂園瑪麗蒂姆酒店)	Wuhu Country Garden, Wuhu, Anhui Province	December 2010	602	According to five-star rating standard (in operation)
Country Garden Phoenix Hotel, Wuhan (武漢碧桂園鳳凰酒店)	Wuhan Country Garden, Wuhan, Hubei Province	January 2011	331	According to five-star rating standard (in operation)
Country Garden Phoenix Hotel, Binhu City (濱湖城碧桂園鳳凰酒店)	Country Garden Lakeside City, Hefei, Anhui Province	January 2011	336	According to five-star rating standard (in operation)
Country Garden Phoenix Hotel, Huangshan (黃山碧桂園鳳凰酒店)	Huangshan Country Garden, Huangshan, Anhui Province	March 2011	378	According to five-star rating standard (in operation)
Country Garden Holiday Hotel, Shenyang (瀋陽碧桂園假日酒店)	Shenyang Country Garden, Shenyang, Liaoning Province	May 2011	50	According to five-star rating standard (in operation)
Maritim Hotel, Shenyang (瀋陽碧桂園瑪麗蒂姆酒店)	Country Garden — Galaxy Palace, Shenyang, Liaoning Province	July 2011	631	According to five-star rating standard (in operation)
Country Garden Phoenix Hotel, Tianjin (天津碧桂園鳳凰酒店)	Tianjin Country Garden, Balitai, Tianjin Municipality	August 2011	249	According to five-star rating standard (in operation)
Country Garden Phoenix Hotel, Shaoguan (韶關碧桂園鳳凰酒店)	Shaoguan Country Garden, Shaoguan, Guangdong Province	August 2011	335	According to five-star rating standard (in operation)
Country Garden Phoenix Hotel, Suizhou (隨州碧桂園鳳凰酒店)	Suizhou Country Garden, Suizhou, Hubei Province	October 2011	378	According to five-star rating standard (in operation)
Country Garden Hill Lake Phoenix Hotel (碧桂園如山湖鳳凰酒店)	Country Garden — Hill Lake City, Maanshan, Anhui Province	November 2011	455	According to five-star rating standard (in operation)
Country Garden Phoenix Hotel, Lechang (樂昌碧桂園鳳凰酒店)	Lechang Country Garden, Shaoguan, Guangdong Province	November 2011	129	According to five-star rating standard (in operation)
Country Garden Phoenix Hotel, Ningxiang (寧鄉碧桂園鳳凰酒店)	Country Garden — Hill Lake Palace, Changsha, Hunan Province	December 2011	129	According to five-star rating standard (in operation)
Country Garden Europe City Phoenix Hotel (碧桂園歐洲城鳳凰酒店)	Country Garden — Europe City, Chuzhou, Anhui Province	December 2011	333	According to five-star rating standard (in operation)
Country Garden Holiday Hot Springs Hotel, Fogang (佛岡碧桂園假日溫泉酒店)	Country Garden — Spring City, Qingyuan, Guangdong Province	April 2012	11	According to five-star rating standard (in operation)
Country Garden Phoenix Hotel, Chizhou (池州碧桂園鳳凰酒店)	Chizhou Country Garden, Chizhou, Anhui Province	June 2012	338	According to five-star rating standard (in operation)

## Business Overview

Name of Hotel	Location	Actual/ Estimated Opening Date	Number of Rooms	Star-rating <sup>(1)</sup>
Country Garden Phoenix Hotel, Anqing (安慶碧桂園鳳凰酒店) <sup>(2)</sup>	Anqing Country Garden, Anqing, Anhui Province	*2012	336	According to five-star rating standard (trial operation)
Country Garden Phoenix Hot Spring Hotel, Taizhou (泰州碧桂園鳳凰溫泉酒店) <sup>(3)</sup>	Taizhou Country Garden, Taizhou, Jiangsu Province	*2012	331	According to five-star rating standard (trial operation)
Country Garden Phoenix City Hotel (碧桂園鳳凰城酒店) <sup>(4)</sup>	Country Garden — Phoenix City, Zhenjiang, Jiangsu Province	*2012	335	According to five-star rating standard (trial operation)
Country Garden Silver Beach Hotel (碧桂園十里銀灘酒店) <sup>(5)</sup>	Country Garden — Ten Miles Beach, Huizhou, Guangdong Province	*2012	339	According to five-star rating standard (trial operation)
Country Garden Phoenix Hotel, Chaohu (巢湖碧桂園鳳凰酒店)	Chaohu Country Garden, Hefei, Anhui Province	*2012	336	According to five-star rating standard (under construction)
Country Garden Phoenix Hotel, Yunfu (雲浮碧桂園鳳凰酒店)	Yunfu Country Garden, Yunfu, Guangdong Province	*2012	129	According to five-star rating standard (under construction)
Country Garden Phoenix Hotel, Tongliao (通遼碧桂園鳳凰酒店)	Tongliao Country Garden, Tongliao, Inner Mongolia	*2012	321	According to five-star rating standard (under construction)
Hilton Tianjin Binhai (天津濱海希爾頓酒店)	Independent Hotel, Tanggu, Tianjin Municipality	*2014	1,238	According to five-star rating standard (under construction)
Country Garden Phoenix Hotel, Beiliu (北流碧桂園鳳凰酒店)	Beiliu Country Garden, Yulin, Guangxi Zhuang Autonomous Region	*2013	209	According to five-star rating standard (under construction)
Country Garden Phoenix Hotel, Xing'anmeng (興安盟碧桂園鳳凰酒店)	Xing'anmeng Country Garden, Xing'anmeng, Inner Mongolia	*2013	134	According to five-star rating standard (under construction)
Country Garden Phoenix Hotel, Yangshan (陽山碧桂園鳳凰酒店)	Yangshan Country Garden, Qingyuan, Guangdong Province	*2013	129	According to five-star rating standard (under construction)
Country Garden Phoenix Hotel, Huiyang (惠陽碧桂園鳳凰酒店)	Huiyang Country Garden, Huizhou, Guangdong Province	*2012	129	According to five-star rating standard (under construction)
Hilton Foshan (佛山希爾頓酒店)	Country Garden City Garden, Foshan, Guangdong Province	*2012	600	According to five-star rating standard (under construction)
Country Garden International Resort, Zhangjiajie (張家界碧桂園鳳凰 國際度假酒店)	Zhangjiajie Country Garden, Zhangjiajie, Hunan Province	*2013	1,047	According to five-star rating standard (under construction)

Name of Hotel	Location	Actual/* Estimated Opening Date	Number of Rooms	Star-rating <sup>(1)</sup>
Hilton Wuhan Optics Valley (武漢光谷碧桂園希爾頓酒店)	Country Garden — Eco City, Wuhan, Hubei Province	*2013	510	According to five-star rating standard (under construction)
Country Garden Phoenix Hotel, Haicheng (海城碧桂園鳳凰酒店)	Haicheng Country Garden, Anshan, Liaoning Province	*2012	134	According to five-star rating standard (under construction)
Country Garden Holiday Hotel, Meizhou (梅州碧桂園假日酒店)	Country Garden — Grand Palace, Meizhou, Guangdong Province	*2012	50	According to four-star rating standard (under construction)
Country Garden Phoenix Hotel, Kaiping (開平碧桂園鳳凰酒店)	Country Garden — Jade Bay, Jiangmen, Guangdong Province	*2013	290	According to five-star rating standard (under construction)

Notes:

- (1) Hotels are only allowed to apply for star hotel certification after one year of operation.
- (2) Country Garden Phoenix Hotel, Anqing commenced partial trial operation on 29 October 2009.
- (3) Country Garden Phoenix Hot Spring Hotel, Taizhou commenced partial trial operation on 28 December 2011.
- (4) Country Garden Phoenix City Hotel commenced partial trial operation on 18 May 2012.
- (5) Country Garden Silver Beach Hotel commenced partial trial operation on 8 June 2012.



— Maritim Hotel, Shenyang

# Business Overview

## Completed property developments

Project	City (District)	Aggregate GFA for entire project sq.m.	Interest attributable to the Company (%)	Completed GFA <sup>(1)</sup> sq.m.	Total completed saleable GFA <sup>(1)</sup> sq.m.	Total saleable GFA sold and delivered <sup>(1)</sup> sq.m.	Total saleable GFA pre-sold pending delivery <sup>(1)</sup> sq.m.	Completion date
Country Garden East Court (碧桂園東苑)	Guangzhou (Panyu)	269,222	100%	240,550	238,860	235,251		29/Jun/02
Shawan Country Garden (沙灣碧桂園)	Guangzhou (Panyu)	278,834	100%	278,834	273,702	273,702		31/Dec/09
Huanan Country Garden – Phases One to Five and Phase Seven (華南碧桂園 – 一至五期及七期)	Guangzhou (Panyu)	1,075,096	100%	1,075,096	960,457	957,715	220	19/Dec/11
Huanan Country Garden – Phase Six (華南碧桂園 – 六期)	Guangzhou (Panyu)	423,467	50%	408,391	407,612	407,552		20/Dec/07
Licheng Country Garden (荔城碧桂園)	Guangzhou (Zengcheng)	568,729	100%	568,729	550,765	544,159	285	30/Jun/10
Country Garden Phoenix City (碧桂園鳳凰城)	Guangzhou (Zengcheng)	4,600,728	100%	4,104,854	3,878,797	3,551,428	206,761	15/Jun/12
Nansha Country Garden (南沙碧桂園)	Guangzhou (Nansha)	515,889	100%	515,889	491,002	489,750		28/Jun/10
Holiday Islands – Huadu (假日半島 – 花都)	Guangzhou (Huadu)	444,382	100%	406,191	403,637	295,437	11,708	30/May/12
Shunde Country Garden – including Country Garden West Court (順德碧桂園 (含碧桂園西苑))	Foshan (Shunde)	2,585,574	100%	2,308,828	2,132,076	1,989,800	24,727	25/Jun/12
Jun'an Country Garden (均安碧桂園)	Foshan (Shunde)	254,510	90%	224,458	214,110	213,246		20/Jun/11
Peninsula Country Garden (半島碧桂園)	Foshan (Shunde)	294,330	100%	294,330	287,043	286,021	1,022	16/Apr/08
Gaoming Country Garden (高明碧桂園)	Foshan (Gaoming)	985,995	100%	896,231	886,114	843,331	9,572	29/Jun/12
Nanhai Country Garden (南海碧桂園)	Foshan (Nanhai)	553,574	100%	553,574	542,780	540,783		30/Mar/11
Heshan Country Garden (鶴山碧桂園)	Jiangmen (Heshan)	1,999,794	100%	1,720,800	1,648,468	1,473,879	61,391	14/Jun/12
Wuyi Country Garden (五邑碧桂園)	Jiangmen (Pengjiang)	955,130	100%	863,606	822,691	794,974		16/Jun/12
Xinhui Country Garden (新會碧桂園)	Jiangmen (Xinhui)	588,519	100%	582,168	578,358	565,975	219	30/Mar/12
Taishan Country Garden (台山碧桂園)	Jiangmen (Taishan)	2,628,349	100%	678,298	657,294	532,854	14,897	26/Apr/12
Yangdong Country Garden (陽東碧桂園)	Yangjiang (Yangdong)	390,847	100%	390,847	370,202	368,174		21/Dec/10
Changsha Country Garden (長沙碧桂園)	Changsha (Changsha)	1,001,304	100%	860,304	813,953	696,615	27,424	18/May/12
Zhaoqing Lanling Residence (肇慶藍領公寓)	Zhaoqing (Gaoxin)	185,721	100%	185,721	105,861	5,223		26/Jun/09
Zhaoqing Country Garden (肇慶碧桂園)	Zhaoqing (Gaoyao)	465,862	51%	333,029	317,001	315,729	819	01/Apr/11
Shaoguan Country Garden (韶關碧桂園)	Shaoguan (Zhenjiang)	1,896,555	100%	1,228,307	1,198,372	1,110,373	29,051	29/Jun/12
Taizhou Country Garden (泰州碧桂園)	Taizhou (Hailing)	733,828	100%	618,674	594,892	404,164	16,042	19/Jun/12
Huiyang Country Garden (惠陽碧桂園)	Huizhou (Huiyang)	1,021,774	90%	348,204	342,783	284,939	2,056	21/Oct/11
Manzhouli Country Garden (滿洲里碧桂園)	Hulunbeier (Manzhouli)	1,589,139	100%	83,864	83,569	66,583	430	30/Nov/09
Lechang Country Garden (樂昌碧桂園)	Shaoguan (Lechang)	618,922	100%	190,847	185,968	156,596	1,186	17/May/12
Country Garden – Sun Palace (碧桂園 • 太陽城)	Shenyang (Daoyi)	1,060,254	100%	217,773	214,784	209,406		26/Oct/10
Shenyang Country Garden (瀋陽碧桂園)	Shenyang (Huashan)	1,457,428	100%	322,069	319,134	182,212	28,717	26/Oct/11
Country Garden – Galaxy Palace (碧桂園 • 銀河城)	Shenyang (Yuhong)	2,145,631	100%	681,726	664,820	531,819	41,377	28/Jun/12
Country Garden – Phoenix City (碧桂園 • 鳳凰城)	Shenyang (Suijiatun)	1,583,946	100%	634,423	625,890	298,571	166,422	19/Jun/12
Enping Country Garden (恩平碧桂園)	Jiangmen (Enping)	333,621	100%	237,317	230,708	208,412	14,138	10/May/12
Country Garden – Hill Lake Palace (碧桂園 • 山湖城)	Changsha (Ningxiang)	456,753	100%	256,405	229,117	152,670	2,430	14/Jan/11
Country Garden Lakeside City (碧桂園濱湖城)	Hefei (Chaohu)	1,046,802	100%	605,313	597,226	493,897	1,693	27/Dec/11
Shanwei Country Garden (汕尾碧桂園)	Shanwei (Shanwei)	457,210	100%	281,743	273,685	269,319	2,485	04/Jan/12
Wuhan Country Garden (武漢碧桂園)	Wuhan (Hannan)	759,970	100%	375,981	355,896	246,663	5,662	13/Apr/12
Shaoguan Country Garden – Sun Palace (韶關碧桂園 • 太陽城)	Shaoguan (Xilian)	3,531,008	100%	296,947	292,154	286,074	628	28/Apr/12
Haicheng Country Garden (海城碧桂園)	Anshan (Haicheng)	459,836	100%	60,327	58,203	48,619	1,092	30/Sep/11
Xing'anmeng Country Garden (興安盟碧桂園)	Xing'anmeng (Keyouqianqi)	940,853	100%	169,088	161,941	147,032	440	27/Oct/11
Chizhou Country Garden (池州碧桂園)	Chizhou (Zhanqian)	380,135	100%	232,288	228,437	193,737	1,214	26/Dec/11
Country Garden – Hill Lake City (碧桂園 • 如山湖城)	Maanshan (Hexian)	814,374	100%	649,923	625,407	177,771		21/Oct/11
Sihui Country Garden (四會碧桂園)	Zhaoqing (Sihui)	47,102	100%	47,102	45,492	44,225		30/Jun/10
Xianning Country Garden (咸寧碧桂園)	Xianning (Xian'an)	891,051	100%	247,204	229,960	177,003	4,895	25/Nov/11
Country Garden – Hot Spring City (碧桂園 • 溫泉城)	Xianning (Xian'an)	1,129,838	100%	306,303	305,212	222,395	40,130	21/Jun/12
Suizhou Country Garden (隨州碧桂園)	Suizhou (Chengnan)	1,422,114	100%	354,970	350,020	280,376	10,770	25/Jun/12

## Business Overview

Project	City (District)	Aggregate GFA for entire project sq.m.	Interest attributable to the Company (%)	Completed GFA <sup>(1)</sup> sq.m.	Total completed saleable GFA <sup>(1)</sup> sq.m.	Total saleable GFA sold and delivered <sup>(1)</sup> sq.m.	Total saleable GFA pre-sold pending delivery <sup>(1)</sup> sq.m.	Completion date
Changshou Country Garden (長壽碧桂園)	Chongqing (Changshou)	434,245	100%	416,245	395,282	345,019	17,338	26/Jun/12
Tongliao Country Garden (通遼碧桂園)	Tongliao (Keerqin)	1,676,299	100%	182,879	182,184	146,081	5,313	29/Oct/11
Huangshan Country Garden (黃山碧桂園)	Huangshan (Tunxi)	331,284	100%	289,876	268,959	231,095	1,261	30/Nov/11
Anqing Country Garden (安慶碧桂園)	Anqing (Yingjiang)	1,745,282	100%	520,343	474,581	354,005	37,587	25/Jun/12
Wuhu Country Garden (蕪湖碧桂園)	Wuhu (Sanshanqu)	2,085,821	100%	764,955	756,033	438,857	83,139	29/Jun/12
Yiyang Country Garden (益陽碧桂園)	Yiyang (Yiyang)	579,497	100%	195,118	192,366	144,344	18,073	29/May/12
Chaohu Country Garden (巢湖碧桂園)	Hefei (Chaohu)	880,822	100%	331,399	302,137	254,216	4,136	30/May/12
Liyang Country Garden (瀏陽碧桂園)	Changsha (Liyang)	961,205	100%	177,661	173,055	130,917	14,277	16/Jan/12
Maoming Country Garden (茂名碧桂園)	Maoming (Maonan)	518,504	100%	305,483	293,472	198,760	31,311	29/Jun/12
Yangshan Country Garden (陽山碧桂園)	Qingyuan (Yangshan)	1,270,816	100%	156,907	154,361	142,980	2,977	25/Jun/12
Suihua Country Garden (綏化碧桂園)	Suihua (Beilin)	266,105	100%	133,432	133,010	105,549	12,812	20/Dec/11
Tianjin Country Garden (天津碧桂園)	Tianjin (Balitai)	1,002,883	100%	94,244	80,107	79,554	31/Jan/12	
Jingmen Country Garden (荊門碧桂園)	Jingmen (Duodao)	583,400	100%	221,778	220,881	210,051	5,871	28/Jun/12
Country Garden – Lychee Park (碧桂園•荔園)	Guangzhou (Zengcheng)	88,837	100%	88,837	87,590	85,523		26/May/10
Zhaoqing Country Garden – Hill Lake Palace (肇慶碧桂園•山湖城)	Zhaoqing (Gaoyao)	261,258	51%	194,465	191,944	166,441	10,334	29/May/12
Country Garden – Park Prime (碧桂園•公園1號)	Jiangmen (Heshan)	238,657	100%	114,432	112,566	55,531	53,949	20/Jun/12
Country Garden – Grand Garden (碧桂園•豪園)	Guangzhou (Zengcheng)	1,034,371	100%	399,202	386,711	343,761	1,726	20/Dec/11
Country Garden – Sunshine Coast (碧桂園•陽光水岸)	Jiangmen (Kaiping)	48,718	100%	48,718	48,446	45,547		15/Dec/10
Holiday Islands – Qingyuan (假日半島 – 清遠)	Qingyuan (Qingcheng)	435,668	100%	343,508	342,110	316,618	5,359	30/Dec/11
Country Garden Wonderland (碧桂園山水桃園)	Foshan (Nanhai)	144,508	100%	144,508	143,410	86,928	743	19/Jan/12
Dalang Country Garden (大朗碧桂園)	Dongguan(Dalang)	377,750	100%	137,643	136,177	120,311	348	05/Mar/12
Country Garden Grand Palace (碧桂園豪庭)	Guangzhou (Nansha)	165,794	100%	38,359	33,030	23,201	1,881	29/Jun/12
Huaji Country Garden (懷集碧桂園)	Zhaoqing(Huaji)	126,686	100%	126,686	125,544	124,595		24/Aug/11
Country Garden City Garden (碧桂園城市花園)	Foshan (Chancheng)	437,069	90%	141,863	137,945	78,502	56,462	29/Jun/12
Country Garden Grand Palace (碧桂園豪庭)	Foshan (Shunde)	369,650	100%	230,188	225,646	161,093	9,223	28/May/12
Deqing Country Garden (德慶碧桂園)	Zhaoqing(Deqing)	195,737	100%	145,899	142,656	76,018	23,492	13/Jun/12
Yunfu Country Garden (雲浮碧桂園)	Yunfu(Jinshan)	394,874	100%	59,870	59,558	53,965	1,447	20/Sep/11
Beiliu Country Garden (北流碧桂園)	Yulin(Beiliu)	333,981	100%	115,884	109,688	48,074	52,674	04/Jan/12
Jianghai Country Garden (江海碧桂園)	Jiangmen (Jianghai)	477,503	100%	99,284	89,247	66,884	5,457	30/May/12
Xinhui Country Garden – Phase Four (新會碧桂園 – 四期)	Jiangmen (Xinhui)	405,938	100%	62,774	62,336	42,544	1,703	04/Jan/12
Country Garden – Ten Miles Beach (碧桂園•十里銀灘)	Huizhou (Huidong)	4,631,355	100%	9,459	9,195		2,518	21/Jun/12
Country Garden – Spring City (碧桂園•清泉城)	Qingyuan (Fogang)	512,301	100%	85,687	85,687	78,003	4,063	19/Jun/12
Fengkai Country Garden (封開碧桂園)	Zhaoqing(Fengkai)	185,141	100%	68,289	65,345	17,855	40,701	08/Apr/12
Country Garden – City Garden (碧桂園•城市花園)	Chuzhou (Laian)	810,183	100%	7,503				29/Apr/12
Country Garden – Dongjiang Phoenix City Heyuan (碧桂園•東江鳳凰城)	Heyuan (Yuancheng)	913,408	100%	74,491	73,750	15,929	41,675	20/Jun/12
Zhangjiajie Country Garden (張家界碧桂園)	Zhangjiajie (Yongding)	407,007	100%	23,685				28/Sep/10
Country Garden Wonderland (碧桂園•山水桃園)	Changsha (Ningxiang)	134,181	100%	51,281	48,803		25,459	15/Jun/12
<b>Total:</b>		<b>71,310,738</b>		<b>32,540,361</b>	<b>31,138,265</b>	<b>26,363,205</b>	<b>1,303,212</b>	

Note:

1 Those are based on the surveying reports relevant government departments.

# Business Overview

## Properties under development

Project	City (District)	Aggregate GFA for entire project sq.m.	Interest attributable to the Company (%)	GFA under development <sup>(1)</sup> sq.m.	Total saleable GFA under development <sup>(1)</sup> sq.m.	Actual commencement date	Total saleable GFA pre-sold <sup>(1)</sup> sq.m.	Actual/Estimated pre-sale commencement date	Estimated completion date
Huanan Country Garden – Phase Six (华南碧桂园 – 六期)	Guangzhou (Panyu)	423,467	50%	1,076		15/Oct/04		–	4th Quarter, 2012
Country Garden Phoenix City (碧桂园凤凰城)	Guangzhou (Zengcheng)	4,600,728	100%	338,142	336,013	29/Apr/07	134,071	30/Apr/08	4th Quarter, 2013
Holiday Islands – Huadu (假日半岛 – 花都)	Guangzhou (Huadu)	444,382	100%	17,230		11/May/06		–	3rd Quarter, 2012
Shunde Country Garden – including Country Garden West Court (顺德碧桂园 (含碧桂园西苑))	Foshan (Shunde)	2,585,574	100%	98,816		18/Jun/08		–	1st Quarter, 2013
Gaoming Country Garden (高明碧桂园)	Foshan (Gaoming)	985,995	100%	76,764	75,429	31/May/06	7,459	30/Sep/11	2nd Quarter, 2013
Heshan Country Garden (鹤山碧桂园)	Jiangmen (Heshan)	1,999,794	100%	145,407	144,778	20/May/10	90,269	18/Mar/11	1st Quarter, 2013
Wuyi Country Garden (五邑碧桂园)	Jiangmen (Pengjiang)	955,130	100%	91,287	87,779	6/Sep/10	37,209	22/Sep/11	2nd Quarter, 2013
Xinhui Country Garden (新会碧桂园)	Jiangmen (Xinhui)	588,519	100%	6,351		10/Nov/11		–	4th Quarter, 2012
Taishan Country Garden (台山碧桂园)	Jiangmen (Taishan)	2,628,349	100%	357,045	348,119	29/Feb/08	85,641	30/Sep/10	3rd Quarter, 2013
Zhaoqing Country Garden (肇慶碧桂园)	Zhaoqing (Gaoyao)	465,862	51%	63,729	63,729	15/Aug/11	40,813	1/Dec/11	4th Quarter, 2012
Shaoguan Country Garden (韶關碧桂园)	Shaoguan (Zhenjiang)	1,896,555	100%	210,043	207,729	17/Jan/07	92,336	30/Sep/11	2nd Quarter, 2013
Taizhou Country Garden (泰州碧桂园)	Taizhou (Hailing)	733,828	100%	95,888	64,774	27/Jun/07	2,677	14/Dec/11	4th Quarter, 2013
Huiyang Country Garden (惠陽碧桂园)	Huiyang (Huiyang)	1,021,774	90%	276,340	261,652	30/Jun/09	10,899	23/Dec/11	2nd Quarter, 2013
Manzhouli Country Garden (滿洲里碧桂园)	Hulunbeier (Manzhouli)	1,589,139	100%	292,055	287,298	23/Jul/07		20/Sep/11	2nd Quarter, 2014
Lechang Country Garden (樂昌碧桂园)	Shaoguan (Lechang)	618,922	100%	118,348	118,348	11/Apr/08	15,473	6/Sep/11	3rd Quarter, 2012
Country Garden – Sun Palace (碧桂园 • 太陽城)	Shenyang (Daoyi)	1,060,254	100%	227,960	221,169	6/Nov/07	45,300	11/Sep/09	4th Quarter, 2013
Shenyang Country Garden (瀋陽碧桂园)	Shenyang (Huashan)	1,457,428	100%	82,470	82,104	8/Sep/07	983	5/Sep/08	4th Quarter, 2012
Country Garden – Galaxy Palace (碧桂园 • 銀河城)	Shenyang (Yuhong)	2,145,631	100%	468,269	407,332	3/Nov/10	140,879	14/Feb/11	4th Quarter, 2013
Country Garden – Phoenix City (碧桂园 • 鳳凰城)	Shenyang (Suijiatun)	1,583,946	100%	450,616	444,688	26/Jun/08	14,328	23/Apr/12	2nd Quarter, 2014
Enping Country Garden (恩平碧桂园)	Jiangmen (Enping)	333,621	100%	44,727	44,633	17/Oct/11	10,089	26/Apr/12	4th Quarter, 2012
Country Garden – Hill Lake Palace (碧桂园 • 山湖城)	Changsha (Ningxiang)	456,753	100%	71,094	70,895	16/Oct/08		11/May/12	2nd Quarter, 2013
Country Garden Lakeside City (碧桂园滨湖城)	Hefei (Chaohu)	1,046,802	100%	177,246	172,536	13/Dec/07	54,880	13/Oct/11	2nd Quarter, 2013
Shanwei Country Garden (汕尾碧桂园)	Shanwei (Shanwei)	457,210	100%	108,876	103,017	13/Apr/11	97,261	19/Oct/11	4th Quarter, 2012
Wuhan Country Garden (武漢碧桂园)	Wuhan (Hannan)	759,970	100%	289,966	274,254	30/Jan/08	14,103	13/Jan/11	4th Quarter, 2013

Project	City (District)	Aggregate GFA for entire project sq.m.	Interest attributable to the Company (%)	GFA under development <sup>(1)</sup> sq.m.	Total saleable GFA under development <sup>(1)</sup> sq.m.	Actual commencement date	Total saleable GFA pre-sold <sup>(1)</sup> sq.m.	Actual/ Estimated pre-sale commencement date	Estimated completion date
Shaoguan Country Garden – Sun Palace (韶關碧桂園•太陽城)	Shaoguan (Xilian)	3,531,008	100%	212,559	212,184	28/Dec/09	38,421	17/Jun/11	1st Quarter, 2013
Haicheng Country Garden (海城碧桂園)	Anshan (Haicheng)	459,836	100%	68,459	65,989	20/Oct/11	21,265	3/Nov/11	3rd Quarter, 2013
Xing'anmeng Country Garden (興安盟碧桂園)	Xing'anmeng (Keyouqianqi)	940,853	100%	139,159	133,654	7/Nov/07	43,444	11/Aug/10	4th Quarter, 2012
Chizhou Country Garden (池州碧桂園)	Chizhou (Zhanqian)	380,135	100%	90,178	89,783	30/Jan/11	82,595	25/Jan/11	3rd Quarter, 2012
Xianning Country Garden (咸寧碧桂園)	Xianning (Xian'an)	891,051	100%	74,332	72,710	29/Nov/11	12,652	5/Dec/11	4th Quarter, 2012
Country Garden – Hot Spring City (碧桂園•溫泉城)	Xianning (Xian'an)	1,129,838	100%	23,901	23,672	19/May/11		3rd Quarter, 2012	2nd Quarter, 2013
Suizhou Country Garden (隨州碧桂園)	Suizhou (Chengnan)	1,422,114	100%	166,171	166,171	21/May/08	14,743	28/Sep/11	3rd Quarter, 2013
Tongliao Country Garden (通遼碧桂園)	Tongliao (Keerqin)	1,676,299	100%	243,044	227,950	3/Nov/07	74,865	30/May/11	4th Quarter, 2013
Huangshan Country Garden (黃山碧桂園)	Huangshan (Tunxi)	331,284	100%	41,408	40,179	28/Sep/11	2,488	20/Oct/11	4th Quarter, 2012
Anqing Country Garden (安慶碧桂園)	Anqing (Yingjiang)	1,745,282	100%	313,472	263,660	19/Jun/08	120,306	25/Mar/11	2nd Quarter, 2013
Wuhu Country Garden (蕪湖碧桂園)	Wuhu (Sanshanqu)	2,085,821	100%	78,332	13,080	27/Jun/08	894	23/Mar/12	4th Quarter, 2012
Yiyang Country Garden (益陽碧桂園)	Yiyang (Yiyang)	579,497	100%	163,071	162,739	20/Feb/12		1/Jun/12	4th Quarter, 2013
Chaohu Country Garden (巢湖碧桂園)	Hefei (Chaohu)	880,822	100%	108,283	107,988	11/Aug/08	13,903	26/Sep/11	3rd Quarter, 2013
Liuyang Country Garden (瀏陽碧桂園)	Changsha (Liuyang)	961,205	100%	151,354	151,107	28/Mar/12	17,016	29/Mar/12	2nd Quarter, 2013
Maoming Country Garden (茂名碧桂園)	Maoming (Maonan)	518,504	100%	96,760	89,714	19/May/11	1,040	26/Jan/11	2nd Quarter, 2013
Yangshan Country Garden (陽山碧桂園)	Qingyuan (Yangshan)	1,270,816	100%	68,539	68,452	20/Dec/11	14,181	15/Jan/12	1st Quarter, 2013
Suihua Country Garden (綏化碧桂園)	Suihua (Beilin)	266,105	100%	15,973	15,973	1/Jul/11	8,172	15/Sep/11	3rd Quarter, 2012
Tianjin Country Garden (天津碧桂園)	Tianjin (Balitai)	1,002,883	100%	566,300	533,918	14/Jul/10	188,592	9/Oct/10	2nd Quarter, 2014
Jingmen Country Garden (荊門碧桂園)	Jingmen (Duodao)	583,400	100%	125,949	125,419	12/May/11	19,657	13/Jan/12	4th Quarter, 2012
Zhaoqing Country Garden – Hill Lake Palace (肇慶碧桂園•山湖城)	Zhaoqing (Gaoyao)	261,258	51%	66,793	63,683	25/Apr/10	10,795	30/Sep/11	2nd Quarter, 2013
Country Garden – Park Prime (碧桂園•公園1號)	Jiangmen (Heshan)	238,657	100%	44,180	43,382	22/Apr/10	21,210	22/Sep/11	4th Quarter, 2012
Country Garden – Grand Garden (碧桂園•豪園)	Guangzhou (Zengcheng)	1,034,371	100%	185,216	145,889	19/Apr/10	54,224	9/Dec/11	4th Quarter, 2013
Holiday Islands – Qingyuan (假日半島 – 清遠)	Qingyuan (Qingcheng)	435,668	100%	92,160	91,817	18/May/10	66,296	28/Sep/10	4th Quarter, 2012
Dalang Country Garden (大朗碧桂園)	Dongguan(Dalang)	377,750	100%	240,107	232,459	23/Jul/10	163,339	20/Sep/11	4th Quarter, 2012
Country Garden Grand Palace (碧桂園豪庭)	Guangzhou (Nansha)	165,794	100%	127,435	121,687	22/Apr/10	112,863	11/Jan/11	4th Quarter, 2012
Country Garden City Garden (碧桂園城市花園)	Foshan (Chancheng)	437,069	90%	295,206	286,617	30/Jul/10	99,334	12/Jan/11	2nd Quarter, 2013

## Business Overview

Project	City (District)	Aggregate GFA for entire project sq.m.	Interest attributable to the Company (%)	GFA under development <sup>(1)</sup> sq.m.	Total saleable GFA under development <sup>(1)</sup> sq.m.	Actual commencement date	Total saleable GFA pre-sold <sup>(1)</sup> sq.m.	Actual/ Estimated pre-sale commencement date	Estimated completion date
Country Garden Grand Palace (碧桂園豪庭)	Foshan (Shunde)	369,650	100%	139,462	139,402	28/Oct/10	26,987	16/Jun/11	4th Quarter, 2012
Deqing Country Garden (德慶碧桂園)	Zhaoqing (Deqing)	195,737	100%	49,838	49,708	13/Jul/11	12,562	5/Aug/11	2nd Quarter, 2013
Yunfu Country Garden (雲浮碧桂園)	Yunfu (Jinshan)	394,874	100%	178,368	178,140	24/Feb/11	29,911	20/Oct/11	1st Quarter, 2013
Beiliu Country Garden (北流碧桂園)	Yulin (Beiliu)	333,981	100%	107,425	106,555	25/Sep/10	11,364	17/Dec/11	1st Quarter, 2014
Jianghai Country Garden (江海碧桂園)	Jiangmen (Jianghai)	477,503	100%	164,219	164,219	18/Jan/11	62,173	13/Jan/12	4th Quarter, 2013
Xinhui Country Garden – Phase Four (新會碧桂園 – 四期)	Jiangmen (Xinhui)	405,938	100%	339,265	338,223	15/Nov/10	134,574	28/Apr/11	2nd Quarter, 2014
Country Garden – Ten Miles Beach (碧桂園 • 十里銀灘)	Huizhou (Huidong)	4,631,355	100%	1,113,238	1,063,558	14/Jun/11	579,529	27/Jun/11	4th Quarter, 2012
Country Garden – Spring City (碧桂園 • 清泉城)	Qingyuan (Fogang)	512,301	100%	186,272	186,272	2/Apr/10	51,299	28/Apr/11	3rd Quarter, 2013
Country Garden Grand Lake (碧桂園秀麗湖)	Zhongshan (Wuguishan)	79,981	100%	79,981	74,573	29/Sep/10	34,295	2/Aug/11	3rd Quarter, 2013
Country Garden – Phoenix City (碧桂園 • 鳳凰城)	Zhenjiang (Jurong)	3,050,651	100%	953,553	921,271	11/Jan/11	441,886	29/Apr/11	2nd Quarter, 2013
Country Garden – Europe City (碧桂園 • 歐洲城)	Chuzhou (Nanqiao)	1,460,513	100%	444,172	438,780	12/Oct/10	76,319	24/Jul/11	4th Quarter, 2012
Fengkai Country Garden (封開碧桂園)	Zhaoqing (Fengkai)	185,141	100%	116,852	114,471	14/Oct/10	23,478	21/Sep/11	2nd Quarter, 2014
Country Garden Grand Garden (碧桂園)	Shenyang (Qipanshan)	123,768	100%	73,622	73,622	12/Apr/11	642	8/Jul/11	4th Quarter, 2012
Haifeng Country Garden (海豐碧桂園)	Shanwei (Haifeng)	362,430	100%	320,845	312,719	11/Mar/11	200,872	21/Nov/11	1st Quarter, 2013
Hangzhou Country Garden (杭州碧桂園)	Hangzhou (Xiasha)	183,990	100%	183,990	176,196	14/Apr/12		3rd Quarter, 2012	1st Quarter, 2014
Country Garden – Triumph Palace (碧桂園凱旋華庭)	Wuxi (Xishan)	176,977	100%	176,977	170,755	6/Jul/11	84,008	27/Oct/11	2nd Quarter, 2013
Country Garden – Hill Lake Grand Palace (碧桂園 • 山水豪園)	Jiangmen (Heshan)	760,693	80%	169,432	163,004	18/Feb/11	51,975	27/Sep/11	3rd Quarter, 2013
Xiangtan Country Garden (湘潭碧桂園)	Xiangtan (Xiangtan)	358,976	100%	160,476	145,453	31/May/11	53,014	30/Sep/11	4th Quarter, 2012
Ronggui Country Garden (容桂碧桂園)	Foshan (Shunde)	310,541	100%	310,541	308,039	22/Jun/11		3rd Quarter, 2012	4th Quarter, 2013
Country Garden – City Garden (碧桂園 • 城市花園)	Chuzhou (Lai'an)	810,183	100%	325,143	324,943	23/Jun/11	143,153	30/Sep/11	2nd Quarter, 2013
Country Garden – Dongjiang Phoenix City (碧桂園 • 東江鳳凰城)	Heyuan (Yuancheng)	913,408	100%	296,180	291,275	31/May/11	76,914	2/Sep/11	4th Quarter, 2013
Meijiang Country Garden (梅江碧桂園)	Meizhou (Meijiang)	302,381	100%	302,381	297,326	5/Jul/11	119,331	14/Dec/11	3rd Quarter, 2013
Country Garden Grand Garden (碧桂園豪園)	Dongguan (Tangxia)	302,896	70%	302,896	296,462	19/Mar/12		3rd Quarter, 2012	3rd Quarter, 2013
Shilou Country Garden (石樓碧桂園)	Guangzhou (Panyu)	173,942	100%	147,029	139,151	29/Dec/11	1,714	1/May/12	2nd Quarter, 2013

Project	City (District)	Aggregate GFA for entire project sq.m.	Interest attributable to the Company (%)	GFA under development <sup>(1)</sup> sq.m.	Total saleable GFA under development <sup>(1)</sup> sq.m.	Actual commencement date	Total saleable GFA pre-sold <sup>(1)</sup> sq.m.	Actual/ Estimated pre-sale commencement date	Estimated completion date
Country Garden — Jade Bay (碧桂園·翡翠灣)	Jiangmen (Kaiping)	684,622	100%	213,644	211,811	15/Jul/11	100,254	25/Dec/11	2nd Quarter, 2013
Country Garden Wonderland (碧桂園·山水桃園)	Changsha (Ningxiang)	134,181	100%	42,813	42,681	30/Nov/11		13/Dec/11	2nd Quarter, 2013
Country Garden — Forest Hill Garden (碧桂園·天麓山花園)	Dongguan (Tangxia)	421,377	100%	261,833	232,773	21/Mar/12		3rd Quarter, 2012	2nd Quarter, 2014
Country Garden — Grand Palace (碧桂園·豪庭)	Meizhou (Meixian)	236,359	100%	42,724	42,244	15/Nov/11	10,704	16/Apr/12	2nd Quarter, 2013
Country Garden Shine Hill Lake City (碧桂園新亞山湖城)	Qingyuan (Qingcheng)	1,885,580	51%	71,243	71,243	24/Nov/11		1/Apr/12	4th Quarter, 2013
Country Garden — Jade Hill (碧桂園·翡翠山)	Chenzhou (Suxian)	312,529	100%	154,674	152,148	15/Feb/12		3rd Quarter, 2012	2nd Quarter, 2013
Country Garden — Palm City (碧桂園·椰城)	Wenchang (Tanniu)	116,864	100%	20,246	13,761	22/Feb/12	2,421	30/Mar/12	4th Quarter, 2012
Pingguo Country Garden (平泉碧桂園)	Baise (Pingguo)	201,083	100%	86,660	77,667	15/Mar/12		3rd Quarter, 2012	2nd Quarter, 2013
Country Garden — Times City (碧桂園·時代城)	Dongguan (Tangxia)	121,891	51%	121,891	120,946	10/Jan/12		3rd Quarter, 2012	3rd Quarter, 2013
Total:		75,439,249		15,565,971	14,805,543		4,426,344		

Note:

(1) Those are based on the actual measurements by the project management department of the Group.



— Country Garden Shine Hill Lake City

# Business Overview

## Properties for future development — Projects in China

Project	City (District)	Aggregate GFA for entire project sq.m.	Interest attributable to the Company (%)	GFA for future development <sup>(1)</sup> sq.m.	Estimated commencement date	Estimated pre-sale commencement date	Estimated completion date
Country Garden East Court (碧桂園東苑)	Guangzhou (Panyu)	269,222	100%	28,672	2nd Quarter, 2013	3rd Quarter, 2014	2nd Quarter, 2015
Huanan Country Garden — Phase Six (華南碧桂園 — 六期)	Guangzhou (Panyu)	423,467	50%	14,000	3rd Quarter, 2012	—	2nd Quarter, 2013
Country Garden Phoenix City (碧桂園鳳凰城)	Guangzhou (Zengcheng)	4,600,728	100%	157,732	4th Quarter, 2012	1st Quarter, 2013	4th Quarter, 2014
Holiday Islands — Huadu (假日半島 — 花都)	Guangzhou (Huadu)	444,382	100%	20,961	4th Quarter, 2012	2nd Quarter, 2013	4th Quarter, 2014
Shunde Country Garden — including Country Garden West Court (順德碧桂園 (含碧桂園西苑))	Foshan (Shunde)	2,585,574	100%	177,930	3rd Quarter, 2012	4th Quarter, 2012	4th Quarter, 2014
Jun'an Country Garden (均安碧桂園)	Foshan (Shunde)	254,510	90%	30,052	4th Quarter, 2012	2nd Quarter, 2013	4th Quarter, 2014
Gaoming Country Garden (高明碧桂園)	Foshan (Gaoming)	985,995	100%	13,000	1st Quarter, 2013	—	2nd Quarter, 2014
Heshan Country Garden (鶴山碧桂園)	Jiangmen (Heshan)	1,999,794	100%	133,587	3rd Quarter, 2012	2nd Quarter, 2013	4th Quarter, 2014
Wuyi Country Garden (五邑碧桂園)	Jiangmen (Pengjiang)	955,130	100%	237	3rd Quarter, 2012	—	4th Quarter, 2012
Taishan Country Garden (台山碧桂園)	Jiangmen (Taishan)	2,628,349	100%	1,593,006	3rd Quarter, 2012	1st Quarter, 2013	4th Quarter, 2017
Changsha Country Garden (長沙碧桂園)	Changsha (Changsha)	1,001,304	100%	141,000	4th Quarter, 2012	2nd Quarter, 2013	3rd Quarter, 2014
Zhaoqing Country Garden (肇慶碧桂園)	Zhaoqing (Gaoyao)	465,862	51%	69,104	3rd Quarter, 2012	4th Quarter, 2012	2nd Quarter, 2013
Shaoguan Country Garden (韶關碧桂園)	Shaoguan (Zhenjiang)	1,896,555	100%	458,205	1st Quarter, 2013	4th Quarter, 2013	4th Quarter, 2015
Taizhou Country Garden (泰州碧桂園)	Taizhou (Hailing)	733,828	100%	19,266	3rd Quarter, 2012	4th Quarter, 2012	4th Quarter, 2013
Huiyang Country Garden (惠陽碧桂園)	Huizhou (Huiyang)	1,021,774	90%	397,230	4th Quarter, 2012	3rd Quarter, 2013	4th Quarter, 2016
Manzhouli Country Garden (滿洲里碧桂園)	Hulunbeier (Manzhouli)	1,589,139	100%	1,213,220	2nd Quarter, 2013	1st Quarter, 2014	4th Quarter, 2024
Lechang Country Garden (樂昌碧桂園)	Shaoguan (Lechang)	618,922	100%	309,727	3rd Quarter, 2012	4th Quarter, 2012	4th Quarter, 2014
Country Garden — Sun Palace (碧桂園 • 太陽城)	Shenyang (Daoyi)	1,060,254	100%	614,521	4th Quarter, 2012	2nd Quarter, 2013	4th Quarter, 2014
Shenyang Country Garden (瀋陽碧桂園)	Shenyang (Huashan)	1,457,428	100%	1,052,889	3rd Quarter, 2012	1st Quarter, 2013	4th Quarter, 2015
Country Garden — Galaxy Palace (碧桂園 • 銀河城)	Shenyang (Yuhong)	2,145,631	100%	995,636	4th Quarter, 2012	2nd Quarter, 2013	4th Quarter, 2015
Country Garden — Phoenix City (碧桂園 • 鳳凰城)	Shenyang (Sujiatun)	1,583,946	100%	498,907	2nd Quarter, 2013	4th Quarter, 2013	2nd Quarter, 2015
Enping Country Garden (恩平碧桂園)	Jiangmen (Enping)	333,621	100%	51,577	3rd Quarter, 2012	1st Quarter, 2013	2nd Quarter, 2014
Country Garden — Hill Lake Palace (碧桂園 • 山湖城)	Changsha (Ningxiang)	456,753	100%	129,254	3rd Quarter, 2012	2nd Quarter, 2013	4th Quarter, 2014
Country Garden Lakeside City (碧桂園濱湖城)	Hefei (Chaohu)	1,046,802	100%	264,243	3rd Quarter, 2012	1st Quarter, 2013	4th Quarter, 2014
Shanwei Country Garden (汕尾碧桂園)	Shanwei (Shanwei)	457,210	100%	66,591	3rd Quarter, 2012	4th Quarter, 2012	4th Quarter, 2013
Wuhan Country Garden (武漢碧桂園)	Wuhan (Hannan)	759,970	100%	94,023	3rd Quarter, 2012	4th Quarter, 2012	4th Quarter, 2013
Shaoguan Country Garden — Sun Palace (韶關碧桂園 • 太陽城)	Shaoguan (Xilian)	3,531,008	100%	3,021,502	4th Quarter, 2012	1st Quarter, 2013	4th Quarter, 2024
Haicheng Country Garden (海城碧桂園)	Anshan (Haicheng)	459,836	100%	331,050	3rd Quarter, 2012	1st Quarter, 2013	4th Quarter, 2015
Xing'anmeng Country Garden (興安盟碧桂園)	Xing'anmeng (Keyouqianqi)	940,853	100%	632,606	3rd Quarter, 2012	2nd Quarter, 2013	4th Quarter, 2016
Chizhou Country Garden (池州碧桂園)	Chizhou (Zhanqian)	380,135	100%	57,669	3rd Quarter, 2012	4th Quarter, 2012	4th Quarter, 2013
Country Garden — Hill Lake City (碧桂園 • 如山湖城)	Maanshan (Hexian)	814,374	100%	164,451	2nd Quarter, 2013	1st Quarter, 2014	1st Quarter, 2015
Xianning Country Garden (咸寧碧桂園)	Xianning (Xian'an)	891,051	100%	569,515	3rd Quarter, 2012	2nd Quarter, 2013	1st Quarter, 2014
Country Garden — Hot Spring City (碧桂園 • 溫泉城)	Xianning (Xian'an)	1,129,838	100%	799,634	3rd Quarter, 2012	4th Quarter, 2012	4th Quarter, 2013
Suizhou Country Garden (隨州碧桂園)	Suizhou (Chengnan)	1,422,114	100%	900,973	3rd Quarter, 2012	1st Quarter, 2013	4th Quarter, 2015
Changshou Country Garden (長壽碧桂園)	Chongqing (Changshou)	434,245	100%	18,000	3rd Quarter, 2012	4th Quarter, 2012	4th Quarter, 2013
Tongliao Country Garden (通遼碧桂園)	Tongliao (Keerqin)	1,676,299	100%	1,250,376	3rd Quarter, 2012	4th Quarter, 2013	4th Quarter, 2016
Anqing Country Garden (安慶碧桂園)	Anqing (Yingjiang)	1,745,282	100%	911,467	4th Quarter, 2012	2nd Quarter, 2013	4th Quarter, 2014
Wuhu Country Garden (蕪湖碧桂園)	Wuhu (Sanshanqu)	2,085,821	100%	1,242,534	4th Quarter, 2012	4th Quarter, 2013	4th Quarter, 2018

Project	City (District)	Aggregate GFA for entire project sq.m.	Interest attributable to the Company (%)	GFA for future development <sup>(1)</sup> sq.m.	Estimated commencement date	Estimated pre-sale commencement date	Estimated completion date
Yiyang Country Garden (益陽碧桂園)	Yiyang (Yiyang)	579,497	100%	221,308	4th Quarter, 2012	3rd Quarter, 2013	4th Quarter, 2014
Chaohu Country Garden (巢湖碧桂園)	Hefei (Chaohu)	880,822	100%	441,140	3rd Quarter, 2012	1st Quarter, 2013	4th Quarter, 2014
Liuyang Country Garden (瀏陽碧桂園)	Changsha (Liuyang)	961,205	100%	632,190	4th Quarter, 2012	3rd Quarter, 2013	4th Quarter, 2014
Maoming Country Garden (茂名碧桂園)	Maoming (Maonan)	518,504	100%	116,261	3rd Quarter, 2012	4th Quarter, 2012	4th Quarter, 2013
Yangshan Country Garden (陽山碧桂園)	Qingyuan (Yangshan)	1,270,816	100%	1,045,370	3rd Quarter, 2012	1st Quarter, 2013	4th Quarter, 2013
Suihua Country Garden (綏化碧桂園)	Suihua (Beilin)	266,105	100%	116,700	3rd Quarter, 2012	1st Quarter, 2013	3rd Quarter, 2014
Country Garden – Deyu Office Building (碧桂園·德域大廈)	Tianjin (Tanggu)	114,504	100%	114,504	1st Quarter, 2013	3rd Quarter, 2013	4th Quarter, 2013
Tianjin Country Garden (天津碧桂園)	Tianjin (Balitai)	1,002,883	100%	342,339	4th Quarter, 2012	3rd Quarter, 2013	2nd Quarter, 2015
Jingmen Country Garden (荊門碧桂園)	Jingmen (Duodao)	583,400	100%	235,673	3rd Quarter, 2012	1st Quarter, 2013	1st Quarter, 2014
Country Garden – Park Prime (碧桂園·公園1號)	Jiangmen (Heshan)	238,657	100%	80,045	2nd Quarter, 2013	1st Quarter, 2014	4th Quarter, 2014
Country Garden – Grand Garden (碧桂園·豪園)	Guangzhou (Zengcheng)	1,034,371	100%	449,953	3rd Quarter, 2012	1st Quarter, 2013	4th Quarter, 2014
Yunfu Country Garden (雲浮碧桂園)	Yunfu (Jinshan)	394,874	100%	156,636	3rd Quarter, 2012	4th Quarter, 2012	2nd Quarter, 2014
Beiliu Country Garden (北流碧桂園)	Yulin (Beiliu)	333,981	100%	110,672	3rd Quarter, 2012	1st Quarter, 2013	2nd Quarter, 2014
Jianghai Country Garden (江海碧桂園)	Jiangmen (Jianghai)	477,503	100%	214,000	4th Quarter, 2012	1st Quarter, 2013	2nd Quarter, 2015
Xinhui Country Garden – Phase Four (新會碧桂園 – 四期)	Jiangmen (Xinhui)	405,938	100%	3,899	3rd Quarter, 2012	–	4th Quarter, 2013
Country Garden – Ten Miles Beach (碧桂園·十里銀灘)	Huizhou (Huidong)	4,631,355	100%	3,508,658	3rd Quarter, 2012	1st Quarter, 2013	4th Quarter, 2015
Country Garden – Spring City (碧桂園·清泉城)	Qingyuan (Fogang)	512,301	100%	240,342	3rd Quarter, 2012	1st Quarter, 2013	2nd Quarter, 2014
Country Garden – Phoenix City (碧桂園·鳳凰城)	Zhenjiang (Jurong)	3,050,651	100%	2,097,098	3rd Quarter, 2012	1st Quarter, 2013	4th Quarter, 2015
Country Garden – Europe City (碧桂園·歐洲城)	Chuzhou (Nanqiao)	1,460,513	100%	1,016,341	3rd Quarter, 2012	4th Quarter, 2012	1st Quarter, 2015
Country Garden Grand Garden (碧桂園·豪園)	Shenyang (Qipanshan)	123,768	100%	50,146	4th Quarter, 2012	2nd Quarter, 2013	1st Quarter, 2014
Haifeng Country Garden (海豐碧桂園)	Shanwei (Haifeng)	362,430	100%	41,585	3rd Quarter, 2012	–	3rd Quarter, 2013
Country Garden – Hill Lake Grand Palace (碧桂園·山水豪園)	Jiangmen (Heshan)	760,693	80%	591,261	3rd Quarter, 2012	1st Quarter, 2013	4th Quarter, 2014
Xiangtan Country Garden (湘潭碧桂園)	Xiangtan (Xiangtan)	358,976	100%	198,500	4th Quarter, 2012	2nd Quarter, 2013	4th Quarter, 2014
Country Garden – City Garden (碧桂園·城市花園)	Chuzhou (Laian)	810,183	100%	477,537	3rd Quarter, 2012	4th Quarter, 2012	4th Quarter, 2015
Country Garden – Dongjiang Phoenix City (碧桂園·東江鳳凰城)	Heyuan (Yuancheng)	913,408	100%	542,737	4th Quarter, 2012	2nd Quarter, 2013	4th Quarter, 2014
Shilou Country Garden (石樓碧桂園)	Guangzhou (Panyu)	173,942	100%	26,913	4th Quarter, 2012	–	4th Quarter, 2013
Country Garden – Jade Bay (碧桂園·翡翠灣)	Jiangmen (Kaiping)	684,622	100%	470,978	4th Quarter, 2012	2nd Quarter, 2013	4th Quarter, 2014
Zhangjiajie Country Garden (張家界碧桂園)	Zhangjiajie (Yongding)	407,007	100%	383,322	3rd Quarter, 2012	4th Quarter, 2012	4th Quarter, 2014
Country Garden Wonderland (碧桂園·山水桃源)	Changsha (Ningxiang)	134,181	100%	40,087	1st Quarter, 2013	3rd Quarter, 2013	4th Quarter, 2014
Country Garden – Forest Hill Garden (碧桂園·天麓山花園)	Dongguan (Tangxia)	421,377	100%	159,544	1st Quarter, 2013	1st Quarter, 2014	1st Quarter, 2015
Country Garden – Grand Palace (碧桂園·豪庭)	Meizhou (Meixian)	236,359	100%	193,635	1st Quarter, 2013	1st Quarter, 2014	1st Quarter, 2015
Country Garden Shine Hill Lake City (碧桂園新亞山湖城)	Qingyuan (Qingcheng)	1,885,580	51%	1,814,337	3rd Quarter, 2012	1st Quarter, 2013	4th Quarter, 2014
Country Garden – Eco City (碧桂園·生態城)	Wuhan (Hongshan)	285,817	55%	285,817	3rd Quarter, 2012	4th Quarter, 2012	4th Quarter, 2013
Country Garden – Jade Hill (碧桂園·翡翠山)	Chenzhou (Suxian)	312,529	100%	157,855	3rd Quarter, 2012	4th Quarter, 2012	4th Quarter, 2013

## Business Overview

Project	City (District)	Aggregate GFA for entire project sq.m.	Interest attributable to the Company (%)	GFA for future development <sup>(1)</sup> sq.m.	Estimated commencement date	Estimated pre-sale commencement date	Estimated completion date
Country Garden Hill Lake Bay (碧桂園山湖灣)	Guangzhou (Nansha)	496,264	100%	496,264	3rd Quarter, 2012	4th Quarter, 2012	3rd Quarter, 2015
Country Garden – Phoenix City (碧桂園•鳳凰城)	Ji'nan (Zhangqiu)	334,571	100%	334,571	3rd Quarter, 2012	4th Quarter, 2012	4th Quarter, 2013
Country Garden – Palm City (碧桂園•椰城)	Wenchang (Tanniu)	116,864	100%	96,618	3rd Quarter, 2012	4th Quarter, 2012	4th Quarter, 2013
Country Garden – Hill Lake Bay (碧桂園•山湖灣)	Jiangmen (Xinhui)	214,088	100%	214,088	3rd Quarter, 2012	4th Quarter, 2012	4th Quarter, 2013
Pingguo Country Garden (平果碧桂園)	Baise (Pingguo)	201,083	100%	114,423	3rd Quarter, 2012	1st Quarter, 2013	2nd Quarter, 2014
Tangxia Country Garden (塘廈碧桂園)	Dongguan (Tangxia)	138,211	51%	138,211	1st Quarter, 2013	3rd Quarter, 2013	3rd Quarter, 2014
Wuhan Country Garden Phase Three (武漢碧桂園三期)	Wuhan (Hannan)	552,747	52%	552,747	2nd Quarter, 2013	4th Quarter, 2013	4th Quarter, 2015
Total:		75,929,586		36,968,652			

### Properties for future development – Project in Malaysia

Project	State (City)	Aggregate GFA for entire project sq.m.	Interest attributable to the Company (%)	GFA for future development <sup>(1)</sup> sq.m.	Estimated commencement date	Estimated pre-sale commencement date	Estimated completion date
Serendah Project (雙文丹項目)	Selangor (Serendah)	290,456	55%	290,456	3rd Quarter, 2012	2nd Quarter, 2013	4th Quarter, 2014
Total:		290,456		290,456			

Note:

(1) "GFA for future development" for each project is the GFA expected to be built.



— Country Garden — Jade Hill

# Management Discussion and Analysis

## FINANCIAL REVIEW

### Revenue

Revenue of the Group was primarily comprised of the proceeds from the sales of properties and provision of services after the elimination of transactions among subsidiaries of the Company. Revenue was primarily generated from its four business segments: property development, construction, fitting and decoration, property management and hotel operation. Revenue increased by 7.2% to approximately RMB16,766.8 million in the first half of 2012 from approximately RMB15,641.8 million for the corresponding period in 2011, primarily attributable to the increase in sales of properties. Revenues generated from property development, construction, fitting and decoration, property management and hotel operation are approximately RMB15,959.5 million, RMB68.3 million, RMB299.5 million and RMB439.5 million, respectively.

### *Property development*

Revenue generated from property development increased by 6.5% to approximately RMB15,959.5 million for the six months ended 30 June 2012 from approximately RMB14,979.9 million for the corresponding period in 2011. Total recognised GFA decreased by 17.8% to 2,404,849 sq.m. in the first half of 2012 from 2,925,087 sq.m. for the corresponding period in 2011. The recognised average selling price of property increased to approximately RMB6,636 per sq.m. in the first half of 2012 from approximately RMB5,121 per sq.m. for the corresponding period in 2011, which indicated a 29.6% increase.

### *Construction, fitting and decoration*

Revenue generated from construction, fitting and decoration decreased by 30.6% to approximately RMB68.3 million for the six months ended 30 June 2012 from approximately RMB98.4 million for the corresponding period in 2011, primarily attributable to a decrease in the volume of construction and decoration services rendered to Qingyuan Country Garden Property Development Co., Ltd., a related party of the Group.

### *Property management*

Revenue generated from property management increased by 24.5% to approximately RMB299.5 million for the six months ended 30 June 2012 from approximately RMB240.5 million for the corresponding period in 2011, primarily attributable to an increase in the cumulative GFA under management resulting from the construction completion and delivery of properties such as Country Garden City Garden, Country Garden — Spring City, Xinhui Country Garden in the first half of 2012.

### *Hotel operation*

Revenue generated from hotel operation increased by 36.1% to approximately RMB439.5 million for the six months ended 30 June 2012 from approximately RMB323.0 million for the corresponding period in 2011, primarily attributable to further maturity of the hotel segment and the opening of the five-star rating standard Maritim Hotel, Shenyang in July 2011 and Country Garden Phoenix Hotel, Chizhou in June 2012.

### Cost of sales

Cost of sales of the Group represented primarily the costs incurred directly by the property development activities which included construction, decoration and design costs, land use rights cost and business taxes.

Cost of sales decreased by 7.1% to approximately RMB9,807.9 million for the six months ended 30 June 2012 from approximately RMB10,554.5 million for the corresponding period in 2011. The decrease in cost of sales was in line with the decrease in total recognised GFA of properties.

# Management Discussion and Analysis

## Gross profit

Gross profit (before land appreciation tax provision) of the Group increased by 36.8% to approximately RMB6,958.9 million for the six months ended 30 June 2012 from approximately RMB5,087.3 million for the corresponding period in 2011. The gross margin for the six months ended 30 June 2012 increased to 41.5% from 32.5% for the corresponding period in 2011.

## Other gains — net

Other gains — net of the Group increased slightly by 9.5% to approximately RMB20.7 million of gain for the six months ended 30 June 2012 from approximately RMB18.9 million of gain for the corresponding period in 2011.

## Selling and marketing costs

Selling and marketing costs of the Group increased by 105.7% to approximately RMB847.8 million for the six months ended 30 June 2012 from approximately RMB412.2 million for the corresponding period in 2011, which was primarily attributable to a 150.8% increase in advertisement expense from approximately RMB165.3 million in the first half of 2011 to approximately RMB414.5 million for the corresponding period in 2012, as the Group made great efforts to promote the sales of major projects in the first half of 2012 by launching more advertisements, such as Country Garden — Ten Miles Beach and Country Garden — Phoenix City (Jurong).

## Administrative expenses

Administrative expenses of the Group increased by 40.2% to approximately RMB720.4 million for the six months ended 30 June 2012 from approximately RMB514.0 million for the corresponding period in 2011, primarily attributable to a 42.7% increase of salary expenses from approximately RMB182.4 million for the six months ended 30 June 2011 to approximately RMB260.2 million for the corresponding period in 2012.

## Finance (costs)/income — net

The group recorded finance costs — net of approximately RMB294.2 million for the six months ended 30 June 2012, compared to finance income — net of approximately RMB26.5 million for the corresponding period in 2011. Total interest expenses increased by 39.5% to approximately RMB1,590.5 million for the six months ended 30 June 2012 from approximately RMB1,140.2 million for the corresponding period in 2011. The capitalised interest expenses increased by 36.2% to approximately RMB1,289.1 million for the six months ended 30 June 2012 from approximately RMB946.7 million for the corresponding period in 2011. In addition, the exchange rates of Renminbi to HK dollars and US dollars declined slightly, the group recorded the net exchange loss of approximately RMB36.2 million for the six months ended 30 June 2012, compared to the net exchange gain of approximately RMB174.1 million for the corresponding period in 2011.

## Fair value changes on derivative financial instruments

On 22 February 2008, the Company entered into a cash settled equity swap transaction (the “Equity Swap”) with Merrill Lynch International for the Company’s shares up to a value of US\$250 million (equivalent to approximately HK\$1,950 million). Under the Equity Swap, the Company receives a payment if the Final Price (as defined in the announcement of the Company dated 17 February 2008 (the “Announcement”)) is higher than the Initial Price (as defined in the Announcement) and the Equity Swap Counterparty (as defined in the Announcement) receives a payment if the Final Price is lower than the Initial Price. The Initial Price will be determined in accordance with the formula sets out in the Equity Swap and the Final Price will be determined with reference to the arithmetic mean of the relevant prices of the Company’s shares on specified averaging dates. On 29 February 2012, the Company terminated the Equity Swap in whole. Measured by the termination price, the gain from the fair value change on the equity swap since 1 January 2012 to the termination date was approximately RMB73.6 million.

# Management Discussion and Analysis

## Profit attributable to owners of the Company

Profit attributable to owners of the Company for the six months ended 30 June 2012 increased by 3.7% to approximately RMB2,976.1 million from approximately RMB2,870.6 million for the corresponding period in 2011. The net earning margin decreased slightly from 18.4% for the first half of 2011 to 17.8% for the corresponding period in 2012.

## LIQUIDITY, FINANCIAL AND CAPITAL RESOURCES

### Cash position

The Group's cash and bank deposits (including the restricted cash) amounted to approximately RMB13,615.6 million as at 30 June 2012 (31 December 2011: approximately RMB12,393.4 million). As at 30 June 2012, 91% and 9% of the Group's cash and bank deposits were denominated in Renminbi and other currencies (mainly US dollars and HK dollars), respectively.

As at 30 June 2012, the carrying amount of the restricted cash was approximately RMB4,155.8 million (31 December 2011: approximately RMB4,649.0 million). Pursuant to relevant regulations, certain project companies were required to deposit a portion of proceeds from pre-sales of properties into designated bank accounts. Before the completion of the pre-sold properties, the proceeds deposited in the escrow accounts could only be used for the restricted purposes of purchasing construction materials, equipments, making interim construction payments and paying tax, with the prior approval of the relevant local authorities.

### Net current assets and current ratio

The Group had net current assets of approximately RMB21,871.0 million as at 30 June 2012 (31 December 2011: approximately RMB15,957.6 million). The current ratio being current assets over current liabilities increased from approximately 1.3 as at 31 December 2011 to approximately 1.4 as at 30 June 2012.

### Debt and charges on group assets

The Group had an aggregated debt as at 30 June 2012 of approximately RMB32,541.9 million, including borrowings of approximately RMB17,349.7 million, convertible bond of approximately RMB913.7 million, and senior notes of approximately RMB14,278.5 million.

For borrowings, approximately RMB7,090.7 million will be repayable within 1 year, approximately RMB9,739.0 million will be repayable between 2 and 5 years and the remaining approximately RMB520.0 million to be repayable beyond 5 years. As at 30 June 2012, the substantial part of borrowings are secured by land use rights and properties of the Group and guaranteed by group companies.

### Gearing ratio

The gearing ratio is measured by the net debt (total debt net of disposable cash and cash equivalents) over the equity attributable to owners of the Company. As at 30 June 2012, the gearing ratio was 58.0% (31 December 2011: 63.3%).

### Interest rate risk

The weighted average interest rate of the Group's borrowings increased to approximately 9.49% in the first half of 2012 from approximately 7.21% in 2011. The Group has implemented certain interest rate management which includes, among the others, close monitoring of interest rate movements and replacing and entering into new banking facilities when good pricing opportunities arise.

# Management Discussion and Analysis

## **Risk of exchange rate fluctuation**

The Group mainly operates in the PRC, so most of its revenue and expenses are measured in Renminbi. In the first half of 2012, the exchange rates of Renminbi to HK dollars and US dollars declined slightly. For the six months ended 30 June 2012, there was a net exchange loss of approximately RMB36.2 million. The Directors expect that any fluctuation of Renminbi's exchange rate will not have material adverse effect on the operations of the Group.

## **Land appreciation tax**

According to relevant regulations and laws of the State Administration of Taxation, in the past, the Group has made full provision of land appreciation tax ("LAT") but paid provisional LAT calculated according to certain rates (varying from 0.5% to 5%) over sales amounts assessed by local tax bureau. For the six months ended 30 June 2012, the Group's LAT expenses were approximately RMB1,295.2 million.

## **Contingent liability**

As at 30 June 2012, the Group had contingent liabilities relating to guarantees in respect of mortgage facilities for certain purchasers amounting to approximately RMB16,390.5 million (31 December 2011: approximately RMB15,783.0 million).

The above guarantees represent the guarantees in respect of mortgage facilities granted by certain banks relating to the mortgage loans arranged for certain purchasers of the Group's properties. Pursuant to the terms of the guarantees, upon default in mortgage payments by these purchasers, the Group is responsible to repay the outstanding mortgage principals together with accrued interest and penalty owed by the defaulted purchasers to the banks and the Group is entitled to take over the legal title and possession of the related properties. As at 30 June 2012, the amount of approximately RMB33.3 million (31 December 2011: approximately RMB106.4 million) was to be discharged two years from the day when the mortgaged loans become due; and approximately RMB16,357.2 million (31 December 2011: approximately RMB15,676.6 million) was to be discharged upon earlier of (i) issuance of the real estate ownership certificate which are generally to be available within three months after the purchasers take possession of the relevant properties; or (ii) the satisfaction of mortgage loan by the purchasers of properties.

The Directors consider that in case of default in payments, the net realisable value of the related properties can cover the repayment of the outstanding mortgage principals together with the accrued interest and penalty and therefore no provision has been made in the financial statements for the guarantees.

In addition, of the total contingent liabilities as at 30 June 2012, approximately RMB1,897.9 million represented the guarantee provided to Guangzhou Li He Property Development Company Limited for its borrowings.

## **Capital and property development commitments**

As at 30 June 2012, the commitments in connection with capital and property development expenditures amounted to approximately RMB18,756.8 million (31 December 2011: approximately RMB19,196.1 million). This amount primarily arose from contracted construction fees or other capital commitments for future property developments. The Group expects to fund these commitments principally from pre-sale proceeds of the properties and partly from bank borrowings.

## EMPLOYEES AND REMUNERATION POLICY

As at 30 June 2012, the Group had approximately 34,353 full-time employees (31 December 2011: 35,206).

The remuneration package of the employees includes salary, bonus and other cash subsidies. The Company has designed an annual review system to assess the performance of the employees, which forms the basis of the determination on salary increase, bonus and promotion. The Group is subject to social insurance contribution plans organized by the PRC local governments. In accordance with the relevant national and local labor and social welfare laws and regulations, the Group is required to pay on behalf of the employees a monthly social insurance premium covering pension insurance, medical insurance, unemployment insurance and housing reserve fund. The Group believes the salaries and benefits that the employees receive are competitive in comparison with market rates. The employees do not negotiate their terms of employment through any labor union or by way of collective bargaining agreements. The Group believes its relationship with the employees is good. As at the date of this report, there were no significant labor disputes which adversely affect or likely to have an adverse effect on the operations of the Group.



— Country Garden — Dongjiang Phoenix City

# Disclosure of Interests

## DIRECTORS' AND CHIEF EXECUTIVES' INTERESTS AND SHORT POSITIONS IN SHARES, UNDERLYING SHARES AND DEBENTURES

The Directors of the Company who held office at 30 June 2012 had the following interests in the shares, underlying shares and debentures of the Company and its associated corporation (within the meaning of Part XV of the Securities and Futures Ordinance (the "SFO")) at the balance sheet date as recorded in the register required to be kept under Section 352 of the SFO or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code") of the Listing Rules:

### (a) Long positions in the shares and debentures of the Company

Name of Director	Capacity	Number of ordinary shares held	Number of derivative interests held	Total	Percentage to the issued share capital as at 30.6.2012	Amount of debentures held
Mr. YEUNG Kwok Keung	Interest of controlled corporation	—	—	—	—	US\$11,300,000 (Note 1) US\$11,000,000 (Note 2)
Ms. YANG Huiyan	Interest of controlled corporation	10,481,739,707	—	10,481,739,707 (Note 3)	57.49%	—
Mr. YANG Erzhu	Interest of controlled corporation	1,019,733,743	—	1,019,733,743 (Note 3)	5.59%	—
Mr. SU Rubo	Interest of controlled corporation	721,161,893	29,967,604	751,129,497 (Note 3)	4.12%	—
Mr. ZHANG Yaoyuan	Interest of controlled corporation	856,072,771	—	856,072,771 (Note 3)	4.69%	—
Mr. OU Xueming	Interest of controlled corporation	772,144,068	—	772,144,068 (Note 3)	4.23%	—
Mr. YANG Yongchao	Interest of spouse	3,554,425	—	3,554,425 (Note 4)	0.01%	—

#### Notes:

- These debentures represent the US\$550 million 11.25% senior notes due 2017 held by Joy House Enterprises Limited in which Mr. YEUNG Kwok Keung beneficially owns 99% of the issued share capital.
- These debentures represent the US\$900 million 11.125% senior notes due 2018 held by Joy House Enterprises Limited in which Mr. YEUNG Kwok Keung beneficially owns 99% of the issued share capital and by Kenpac Investments Limited in which Mr. YEUNG Kwok Keung beneficially owns 90% of the issued share capital.
- These shares and/or derivative interests represent shares and/or derivative interests held by Concrete Win Limited, Automic Group Limited, Easy Hope Holdings Limited, Acura International Global Limited and Highlander Group Limited in which Ms. YANG Huiyan, Mr. YANG Erzhu, Mr. SU Rubo, Mr. ZHANG Yaoyuan and Mr. OU Xueming beneficially owns the entire issued share capital respectively.
- These shares represent shares held by Ms. SU Yuming being the spouse of Mr. YANG Yongchao.

**(b) Long positions in the shares of Concrete Win Limited, an associated corporation of the Company**

<b>Name of Director</b>	<b>Capacity</b>	<b>Number of ordinary shares held</b>	<b>Percentage to the issued share capital as at 30.6.2012</b>
Ms. YANG Huiyan	Beneficial owner	2	100%

Save as disclosed above, at the balance sheet date, none of the Company's Directors, chief executives or their respective associates had any other personal, family, corporate and other interests or short positions in the shares, underlying shares or debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) as recorded in the register required to be kept under Section 352 of the SFO or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code.

## **INTERESTS AND SHORT POSITIONS OF SHAREHOLDERS DISCLOSEABLE UNDER THE SFO**

At the balance sheet date, according to the register kept by the Company under Section 336 of the SFO, the following companies and persons, other than the Directors or chief executives of the Company, had long positions of 5% or more in the shares of the Company which fell to be disclosed to the Company under Divisions 2 and 3 of Part XV of the SFO:

### **Long positions in the shares of the Company**

<b>Name of shareholder</b>	<b>Capacity</b>	<b>Number of ordinary shares held</b>	<b>Percentage to the issued share capital as at 30.6.2012</b>
Concrete Win Limited	Beneficial owner	10,481,739,707 (Note 1)	57.49%
Automic Group Limited	Beneficial owner	1,019,733,743 (Note 2)	5.59%

Notes:

1. These shares are held by Concrete Win Limited, the entire issued share capital of which is beneficially owned by Ms. YANG Huiyan.
2. These shares are held by Automic Group Limited, the entire issued share capital of which is beneficially owned by Mr. YANG Erzhu.

Save as disclosed above, at the balance sheet date, the Company has not been notified of any other person (other than the Directors and chief executives of the Company) who had an interest or short position of 5% or more in the shares and underlying shares of the Company which fell to be disclosed to the Company under Divisions 2 and 3 of Part XV of the SFO.

# Corporate Governance and Other Information

## AUDIT COMMITTEE

The Audit Committee was established with terms of reference in compliance with Appendix 14 of the Rules Governing the Listing of Securities on the Stock Exchange (the “Listing Rules”) and assists the Board in providing an independent review of the effectiveness of the financial reporting process, internal control and risk management systems of the Group, overseeing the audit process and performing other duties and responsibilities as may be assigned by the Board from time to time. The members of the Audit Committee are all of the independent non-executive Directors, namely Mr. LAI Ming, Joseph, Mr. SHEK Lai Him, Abraham and Mr. TONG Wui Tung, Ronald. Mr. LAI Ming, Joseph is the chairman of the Audit Committee.

The Audit Committee has reviewed with management the accounting policies and practices adopted by the Group and discussed, among other things, internal controls and financial reporting matters including a review of the unaudited interim results for the six months ended 30 June 2012. In addition, the independent auditor of the Company, PricewaterhouseCoopers, has reviewed the unaudited interim results for the six months ended 30 June 2012 in accordance with Hong Kong Standard on Review Engagements 2410 “Review of Interim Financial Information Performed by the Independent Auditor of the Entity” issued by the Hong Kong Institute of Certified Public Accountants (“HKICPA”).

## COMPLIANCE WITH THE MODEL CODE

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the “Model Code”) of the Listing Rules as the code for dealing in securities of the Company by the Directors. After specific enquiry, all directors of the Company confirmed that they have complied with the required standard of dealings set out therein for six months ended 30 June 2012. No incident of non-compliance was noted by the Company to date in 2012. Relevant employees who are likely to be in possession of unpublished price-sensitive information of the Group are also subject to compliance with written guidelines on no less exacting terms than the Model Code.

## COMPLIANCE WITH CODE ON CORPORATE GOVERNANCE PRACTICES AND CORPORATE GOVERNANCE CODE

The Board and management are committed to principles of corporate governance consistent with prudent management and enhancement of shareholder value. These principles emphasize transparency, accountability and independence.

During the six months ended 30 June 2012, the Company has complied with the code provisions of the Code on Corporate Governance Practices (effective until 31 March 2012) and the Corporate Governance Code (newly effective from 1 April 2012) as set out in the Appendix 14 to the Listing Rules (the “Code”), except for the deviation from the code provision E.1.2 of the Code. Under the first part of code provision E.1.2 of the Code, the chairman of the board should attend the annual general meeting. The chairman of the Board was unable to attend the annual general meeting of the Company held on 26 April 2012 (the “Meeting”) due to another business engagement. Mr. MO Bin, the president and executive director of the Company, chaired the Meeting on behalf of the chairman of the Board and was available to answer questions.

## SHARE OPTION SCHEME

On 20 March 2007, a share option scheme (the “Scheme”) was adopted and approved by their then shareholders of the Company for a period of 10 years commencing on the adoption date. Since the adoption date, the Board may, at its discretion, grant share options to any eligible person to subscribe for the shares in the Company subject to the terms and conditions as stipulated in the Scheme. No any share options have been granted since adoption.

## EMPLOYEE INCENTIVE SCHEME

The trust deed in respect of the employee incentive scheme (“Employee Incentive Scheme”) for the benefit of the senior management and employees of the Group which excludes any connected persons of the Company has been approved in principle, while the scheme rules are under preparation for the Board’s approval. The purpose of the Employee Incentive Scheme is to provide the participants with an opportunity to hold a personal stake in the Company so as to motivate such participants and to enhance performance and efficiency. The Company acquired 4,555,816 shares during the period by way of scrip dividend. As at 30 June 2012, the cumulative total number of the shares acquired for the purpose of the Employee Incentive Scheme were 97,316,635 shares.

## PURCHASE, SALE OR REDEMPTION OF LISTING SECURITIES

During the six months ended 30 June 2012, neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the Company’s listed securities, except for (i) those referred to under the section Employee Incentive Scheme and (ii) the convertible bond referred to as set out in Note 16 to the Consolidated Financial Statements in this report.

## INTERIM DIVIDEND

The Board resolved not to recommend the payment of an interim dividend for the six months ended 30 June 2012 (2011: Nil).

## CHANGE IN THE INFORMATION OF A DIRECTOR PURSUANT TO RULE 13.51B(1) OF THE LISTING RULES

Pursuant to rule 13.51B(1) of the Listing Rules, change in the information of a director of the Company since the date of the Annual Report 2011 of the Company required to be disclosed in this report is as follow:

- Ms. YANG Huiyan has been appointed as the vice chairman of the Company with effect from 27 March 2012.
- Mr. YEUNG Kwok Keung resigned as the chairman of the Remuneration Committee and Mr. TONG Wui Tung, Ronald, the existing member of the Remuneration Committee, has been appointed as the chairman of the Remuneration Committee, both with effect from 27 March 2012. Mr. YEUNG Kwok Keung remains to act as a member of Remuneration Committee.
- Mr. YEUNG Kwok Keung has been appointed as the chairman of the nomination committee of the Company (the “Nomination Committee”) and Mr. LAI Ming, Joseph and Mr. TONG Wui Tung, Ronald have been appointed as members with effect from 27 March 2012.
- Mr. YEUNG Kwok Keung has been appointed as the chairman of the corporate governance committee of the Company (the “Corporate Governance Committee”) and Ms. YANG Huiyan and Mr. MO Bin have been appointed as members with effect from 27 March 2012.

# Consolidated Interim Balance Sheet

		Unaudited 30 June 2012 RMB'000	Audited 31 December 2011 RMB'000
	Note		
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property, plant and equipment	7	8,806,446	8,055,297
Investment property	7	122,146	125,963
Intangible assets	7	23,493	18,496
Land use rights	7	1,308,276	1,326,078
Properties under development	8	26,313,229	26,551,380
Investment in an associate	9	150,793	204,762
Deferred income tax assets		1,361,819	1,299,297
		<b>38,086,202</b>	37,581,273
<b>Current assets</b>			
Properties under development	8	33,839,253	28,370,042
Completed properties held for sale		15,571,751	12,876,349
Inventories		246,081	248,795
Trade and other receivables	10	13,591,456	12,535,495
Prepaid taxes		3,472,737	3,305,092
Restricted cash	11	4,155,751	4,649,017
Cash and cash equivalents	12	9,459,892	7,744,362
		<b>80,336,921</b>	69,729,152
<b>Total assets</b>		<b>118,423,123</b>	107,310,425
<b>EQUITY</b>			
<b>Equity attributable to owners of the Company</b>			
Share capital and premium	13	19,368,755	15,382,196
Other reserves	14	1,365,305	1,367,898
Retained earnings			
— proposed final dividend		—	2,163,450
— others		12,964,309	10,076,693
		<b>33,698,369</b>	28,990,237
<b>Non-controlling interests</b>		<b>1,040,513</b>	1,077,027
<b>Total equity</b>		<b>34,738,882</b>	30,067,264

		Unaudited 30 June 2012 RMB'000	Audited 31 December 2011 RMB'000
	Note		
<b>LIABILITIES</b>			
<b>Non-current liabilities</b>			
Bank borrowings	15	10,259,005	7,408,301
Senior notes	17	14,278,442	14,204,447
Convertible bond	16	—	884,128
Deferred government grants		189,520	189,520
Deferred income tax liabilities		491,390	785,163
		<b>25,218,357</b>	23,471,559
<b>Current liabilities</b>			
Advanced proceeds received from customers		29,158,695	27,865,011
Trade and other payables	18	14,652,930	12,810,345
Income tax payable		6,649,823	5,707,482
Bank borrowings	15	7,090,699	6,468,990
Derivative financial instruments	19	—	919,774
Convertible bond	16	913,737	—
		<b>58,465,884</b>	53,771,602
<b>Total liabilities</b>		<b>83,684,241</b>	77,243,161
<b>Total equity and liabilities</b>		<b>118,423,123</b>	107,310,425
<b>Net current assets</b>		<b>21,871,037</b>	15,957,550
<b>Total assets less current liabilities</b>		<b>59,957,239</b>	53,538,823

The notes on pages 35 to 62 form an integral part of this interim financial information.

# Consolidated Interim Statement of Comprehensive Income

	Note	Unaudited Six months ended 30 June	
		2012 RMB'000	2011 RMB'000
Revenue	6	16,766,777	15,641,790
Cost of sales	21	(9,807,900)	(10,554,526)
<b>Gross profit</b>		<b>6,958,877</b>	5,087,264
Other gains — net	20	20,662	18,898
Selling and marketing costs	21	(847,828)	(412,248)
Administrative expenses	21	(720,398)	(514,027)
<b>Operating profit</b>		<b>5,411,313</b>	4,179,887
Finance income	22	43,376	46,128
Finance costs	22	(337,593)	(19,622)
Finance (costs)/income — net	22	(294,217)	26,506
Share of (loss)/profit of an associate	9	(53,969)	134,352
Fair value changes on derivative financial instruments		73,585	125,886
<b>Profit before income tax</b>		<b>5,136,712</b>	4,466,631
Income tax expense	23	(2,135,239)	(1,595,072)
<b>Profit for the period</b>		<b>3,001,473</b>	2,871,559
<b>Other comprehensive income</b>			
Currency translation differences		(4,715)	—
<b>Total comprehensive income for the period</b>		<b>2,996,758</b>	2,871,559
<b>Profit attributable to:</b>			
— Owners of the Company		2,976,136	2,870,575
— Non-controlling interests		25,337	984
		<b>3,001,473</b>	2,871,559
<b>Total comprehensive income attributable to:</b>			
— Owners of the Company		2,973,543	2,870,575
— Non-controlling interests		23,215	984
		<b>2,996,758</b>	2,871,559
<b>Earnings per share attributable to owners of the Company (expressed in RMB cents per share)</b>			
Basic and diluted	24	16.64	16.44

The notes on pages 35 to 62 form an integral part of this interim financial information.

	Note	Unaudited Six months ended 30 June	
		2012 RMB'000	2011 RMB'000
<b>Dividends</b>	25	—	—

# Consolidated Interim Statement of Changes in Equity

	Unaudited					
	Attributable to owners of the Company					
	Share	Other	Retained	Total	Non-	Total
	capital and	reserves	earnings		controlling	
RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	
(note 13)	(note 14)					
<b>Balance at 1 January 2011</b>	15,392,104	993,012	8,436,305	24,821,421	596,654	25,418,075
<b>Total comprehensive income for the six months ended 30 June 2011</b>	—	—	2,870,575	2,870,575	984	2,871,559
<b>Transactions with owners in their capacity as owners:</b>						
Capital injection	—	—	—	—	254,899	254,899
Dividend	—	—	(1,604,790)	(1,604,790)	—	(1,604,790)
Effect of repurchase of convertible bond	—	(29,666)	—	(29,666)	—	(29,666)
<b>Total transactions with owners</b>	—	(29,666)	(1,604,790)	(1,634,456)	254,899	(1,379,557)
<b>Balance at 30 June 2011</b>	15,392,104	963,346	9,702,090	26,057,540	852,537	26,910,077
<b>Balance at 1 January 2012</b>	<b>15,382,196</b>	<b>1,367,898</b>	<b>12,240,143</b>	<b>28,990,237</b>	<b>1,077,027</b>	<b>30,067,264</b>
<b>Total comprehensive income for the six months ended 30 June 2012</b>	—	(2,593)	2,976,136	2,973,543	23,215	2,996,758
<b>Transactions with owners in their capacity as owners:</b>						
Capital injection	—	—	—	—	20,861	20,861
Dividend (note 25)	—	—	(2,251,970)	(2,251,970)	(80,590)	(2,332,560)
Issue of shares as a result of placing	1,734,589	—	—	1,734,589	—	1,734,589
Issue of shares as a result of the scrip dividend scheme	2,251,970	—	—	2,251,970	—	2,251,970
<b>Total transactions with owners</b>	<b>3,986,559</b>	—	(2,251,970)	1,734,589	(59,729)	1,674,860
<b>Balance at 30 June 2012</b>	<b>19,368,755</b>	<b>1,365,305</b>	<b>12,964,309</b>	<b>33,698,369</b>	<b>1,040,513</b>	<b>34,738,882</b>

The notes on pages 35 to 62 form an integral part of this interim financial information.

# Condensed Consolidated Interim Cash Flow Statement

	Unaudited	
	Six months ended 30 June	
	2012	2011
	RMB'000	RMB'000
<b>Net cash flows used in operating activities</b>	<b>(3,142,481)</b>	(2,129,038)
<b>Net cash used in investing activities</b>	<b>(896,885)</b>	(1,204,406)
<b>Net cash generated from financing activities</b>	<b>5,754,896</b>	6,020,300
<b>Net increase in cash and cash equivalents</b>	<b>1,715,530</b>	2,686,856
<b>Cash and cash equivalents at the beginning of the period</b>	<b>7,744,362</b>	5,094,298
<b>Cash and cash equivalents at the end of the period</b>	<b>9,459,892</b>	7,781,154

The notes on pages 35 to 62 form an integral part of this interim financial information.

# Selected Notes to the Interim Financial Information

## 1 GENERAL INFORMATION

Country Garden Holdings Company Limited (the “Company”) was incorporated in the Cayman Islands on 10 November 2006 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.

The address of the Company’s registered office is Cricket Square, Hutchins Drive, P.O. Box 2681, Grand Cayman, KY1-1111 Cayman Islands. The Company is engaged in investment holding and its subsidiaries (collectively, the “Group”) were principally engaged in the property development, construction, fitting and decoration, property management and hotel operation.

The Company’s shares were listed on The Stock Exchange of Hong Kong Limited (the “Stock Exchange”) on 20 April 2007.

This interim financial information is presented in units of Renminbi (“RMB”) thousand Yuan, unless otherwise stated, and was approved by the Board of Directors of the Company for issue on 23 August 2012.

This interim financial information has not been audited.

## 2 BASIS OF PREPARATION

This interim financial information for the six months ended 30 June 2012 has been prepared in accordance with Hong Kong Accounting Standard (“HKAS”) 34, ‘Interim Financial Reporting’. The interim financial information should be read in conjunction with the annual financial statements for the year ended 31 December 2011, which have been prepared in accordance with Hong Kong Financial Reporting Standards (“HKFRS”) issued by the Hong Kong Institute of Certified Public Accountants (“HKICPA”).

## 3 ACCOUNTING POLICIES

Except as described below, the accounting policies applied are consistent with those of the annual financial statements for the year ended 31 December 2011, as described in those annual financial statements.

Taxes on income in the interim periods are accrued using the tax rate that would be applicable to expected total annual earnings.

**(i) The following new and amended standards and interpretations are mandatory for the first time for the financial year beginning 1 January 2012:**

- HKAS 12 (Amendment) ‘Deferred tax: Recovery of underlying assets’ introduces an exception to the principle for the measurement of deferred tax assets or liabilities arising on an investment property measured at fair value. HKAS 12 requires an entity to measure the deferred tax relating to an asset depending on whether the entity expects to recover the carrying amount of the asset through use or sale. The amendment introduces a rebuttable presumption that an investment property measured at fair value is recovered entirely by sale. The amendment is applicable retrospectively to annual periods beginning on or after 1 January 2012 with early adoption permitted. This amendment did not have a material impact on the Group’s financial statements.

### 3 ACCOUNTING POLICIES (continued)

(i) **The following new and amended standards and interpretations are mandatory for the first time for the financial year beginning 1 January 2012:** (continued)

- HKFRS 7 (Amendment) 'Disclosures – Transfers of financial assets' introduces new disclosure requirement on transfers of financial assets. Disclosure is required by class of asset of the nature, carrying amount and a description of the risks and rewards of financial assets that have been transferred to another party yet remain on the entity's balance sheet. The gain or loss on the transferred assets and any retained interest in those assets must be given. In addition, other disclosures must enable users to understand the amount of any associated liabilities, and the relationship between the financial assets and associated liabilities. The disclosures must be presented by type of ongoing involvement. The amendment is applicable to annual periods beginning on or after 1 July 2011 with early adoption permitted. This amendment did not have a material impact on the Group's financial statements.

(ii) **New and amended standards have been issued but are not effective for the financial year beginning 1 January 2012 and have not been early adopted:**

- HKFRS 9, 'Financial instruments' addresses the classification, measurement and recognition of financial assets and financial liabilities. HKFRS 9 was issued in November 2009 and October 2010. It replaces the parts of HKAS 39 that relate to the classification and measurement of financial instruments. HKFRS 9 requires financial assets to be classified into two measurement categories: those measured as at fair value and those measured at amortized cost. The determination is made at initial recognition. The classification depends on the entity's business model for managing its financial instruments and the contractual cash flow characteristics of the instrument. For financial liabilities, the standard retains most of the HKAS 39 requirements. The main change is that, in cases where the fair value option is taken for financial liabilities, the part of a fair value change due to an entity's own credit risk is recorded in other comprehensive income rather than profit or loss, unless this creates an accounting mismatch. The Group is yet to assess HKFRS 9's full impact and intends to adopt HKFRS 9 no later than the accounting period beginning on or after 1 January 2015.
- HKFRS 10 'Consolidated financial statements' builds on existing principles by identifying the concept of control as the determining factor in whether an entity should be included within the consolidated financial statements of the parent company. The standard provides additional guidance to assist in the determination of control where this is difficult to assess. The Group is yet to assess HKFRS 10's full impact and intends to adopt HKFRS 10 no later than the accounting period beginning on or after 1 January 2013.

## Selected Notes to the Interim Financial Information

### 3 ACCOUNTING POLICIES (continued)

#### (ii) New and amended standards have been issued but are not effective for the financial year beginning 1 January 2012 and have not been early adopted: (continued)

- HKFRS 11 'Joint arrangements' is a more realistic reflection of joint arrangements by focusing on the rights and obligations of the arrangement rather than its legal form. There are two types of joint arrangement: joint operations and joint ventures. Joint operations arise where a joint operator has rights to the assets and obligations relating to the arrangement and hence accounts for its interest in assets, liabilities, revenue and expenses. Joint ventures arise where the joint operator has rights to the net assets of the arrangement and hence equity accounts for its interest. Proportional consolidation of joint ventures is no longer allowed. The Group is yet to assess HKFRS 11's full impact and intends to adopt HKFRS 11 no later than the accounting period beginning on or after 1 January 2013.
- HKFRS 12 'Disclosures of interests in other entities' includes the disclosure requirements for all forms of interests in other entities, including joint arrangements, associates, special purpose vehicles and other off balance sheet vehicles. The Group is yet to assess HKFRS 12's full impact and intends to adopt HKFRS 12 no later than the accounting period beginning on or after 1 January 2013.
- HKFRS 13 'Fair value measurement' aims to improve consistency and reduce complexity by providing a precise definition of fair value and a single source of fair value measurement and disclosure requirements for use across HKFRSs. The requirements do not extend the use of fair value accounting but provide guidance on how it should be applied where its use is already required or permitted by other standards within HKFRSs. The Group is yet to assess HKFRS 13's full impact and intends to adopt HKFRS 13 no later than the accounting period beginning on or after 1 January 2013.

### 4 ESTIMATES

The preparation of interim financial statements requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates.

In preparing these interim financial information, the significant judgments made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the consolidated financial statements for the year ended 31 December 2011.

# Selected Notes to the Interim Financial Information

## 5 FINANCIAL RISK MANAGEMENT

### 5.1 Financial risk factors

The Group's activities expose it to a variety of financial risks: market risk (including currency risk, cash flow interest rate risk and price risk), credit risk and liquidity risk.

The interim financial information does not include all financial risk management information and disclosures required in the annual financial statements, and should be read in conjunction with the Group's annual financial statements as at 31 December 2011.

There have been no significant changes in any risk management policies since 31 December 2011.

### 5.2 Fair value estimation

As at 30 June 2012, the Group did not have financial instruments stated at fair value.

## 6 SEGMENT INFORMATION

The executive directors of the Company (the "ED") review the Group's internal reporting in order to assess performance and allocate resources. The ED has determined the operating segments based on these reports.

The ED considers the business from product perspective. From a product perspective, the ED assesses the performance of:

- Property development;
- Construction, fitting and decoration;
- Property management; and
- Hotel operation.

The ED assesses the performance of the operating segments based on a measure of operating profit.

Segment assets consist primarily of property, plant and equipment, intangible assets, land use rights, investment property, properties under development, completed properties held for sale, inventories, receivables and operating cash. They exclude deferred income tax assets and collateral for the Equity Swap. Segment liabilities consist primarily of operating liabilities. They exclude bank borrowings, convertible bond, senior notes, derivative financial instruments, deferred income tax liabilities and income tax payable.

Capital expenditure comprises additions to property, plant and equipment, land use rights, investment property and intangible assets.

## Selected Notes to the Interim Financial Information

### 6 SEGMENT INFORMATION (continued)

Revenue consists of the following:

	Six months ended 30 June	
	2012 RMB'000	2011 RMB'000
Sales of properties	15,959,470	14,979,885
Rendering of construction, fitting and decoration services	68,332	98,364
Rendering of property management services	299,498	240,516
Rendering of hotel services	439,477	323,025
	<b>16,766,777</b>	15,641,790

Sales between segments are carried out according to the terms and conditions agreed by both parties.

The Group's entire revenue is attributable to the market in Mainland China and over 90% of the Group's non-current assets are located in Mainland China. No geographical information is therefore presented.

The Group has a number of customers, no revenue from a customer exceed 5% or more of the Group's revenue.

The segment information provided to the ED for the reportable segments for the six months ended 30 June 2012 is as follows:

	Property development RMB'000	Construction, fitting and decoration RMB'000	Property management RMB'000	Hotel operation RMB'000	Total Group RMB'000
<b>Six months ended 30 June 2012</b>					
Total revenue	15,959,470	3,685,765	299,564	454,932	20,399,731
Inter-segment revenue	–	(3,617,433)	(66)	(15,455)	(3,632,954)
Revenue (from external customers)	15,959,470	68,332	299,498	439,477	16,766,777
Operating profit	5,352,456	8,200	47,071	3,586	5,411,313
<b>At 30 June 2012</b>					
Total segment assets	105,362,565	2,941,138	682,851	8,074,750	117,061,304
Capital expenditure	258,499	4,046	5,767	667,637	935,949
Total segment liabilities	40,130,339	2,753,507	548,859	568,440	44,001,145

## Selected Notes to the Interim Financial Information

### 6 SEGMENT INFORMATION (continued)

The segment information provided to the ED for the reportable segments for the six months ended 30 June 2011 was as follows:

	Property development RMB'000	Construction, fitting and decoration RMB'000	Property management RMB'000	Hotel operation RMB'000	Total Group RMB'000
<b>Six months ended 30 June 2011</b>					
Total revenue	14,979,885	3,411,378	240,598	323,025	18,954,886
Inter-segment revenue	—	(3,313,014)	(82)	—	(3,313,096)
Revenue (from external customers)	14,979,885	98,364	240,516	323,025	15,641,790
Operating profit	4,157,517	11,804	36,925	(26,359)	4,179,887
<b>At 31 December 2011</b>					
Total segment assets	93,587,632	2,612,195	476,717	7,759,359	104,435,903
Capital expenditure	655,324	5,006	15,004	2,137,572	2,812,906
Total segment liabilities	37,509,289	2,201,791	490,196	663,600	40,864,876

Reportable operating profits are reconciled to profit for the period as follows:

	<b>Six months ended 30 June</b>	
	<b>2012</b>	<b>2011</b>
	<b>RMB'000</b>	<b>RMB'000</b>
Total operating profit	<b>5,411,313</b>	4,179,887
Financial (costs)/income — net	<b>(294,217)</b>	26,506
Share of (loss)/profit of an associate	<b>(53,969)</b>	134,352
Fair value changes on derivative financial instruments	<b>73,585</b>	125,886
Profit before income tax	<b>5,136,712</b>	4,466,631
Income tax expense	<b>(2,135,239)</b>	(1,595,072)
Profit for the period	<b>3,001,473</b>	2,871,559

## Selected Notes to the Interim Financial Information

### 6 SEGMENT INFORMATION (continued)

Reportable segments' assets and liabilities are reconciled to total assets and total liabilities as follows:

	30 June 2012 RMB'000	31 December 2011 RMB'000
Total segment assets	117,061,304	104,435,903
Deferred income tax assets	1,361,819	1,299,297
Collateral for Equity Swap	—	1,575,225
<b>Total assets</b>	<b>118,423,123</b>	107,310,425
Total segment liabilities	44,001,145	40,864,876
Deferred income tax liabilities	491,390	785,163
Income tax payable	6,649,823	5,707,482
Derivative financial instruments	—	919,774
Bank borrowings	17,349,704	13,877,291
Convertible bond	913,737	884,128
Senior notes	14,278,442	14,204,447
<b>Total liabilities</b>	<b>83,684,241</b>	77,243,161

### 7 PROPERTY, PLANT AND EQUIPMENT, LAND USE RIGHTS, INVESTMENT PROPERTY AND INTANGIBLE ASSETS

	Property, plant and equipment RMB'000	Land use rights RMB'000	Investment property RMB'000	Intangible assets RMB'000
<b>Six months ended 30 June 2011</b>				
<b>Opening net book amount at 1 January 2011</b>	5,552,483	1,095,982	133,597	18,499
Additions	1,236,514	22,007	—	2,943
Reclassification	—	(108,248)	—	—
Disposals	(19,444)	—	—	—
Depreciation/amortisation	(125,101)	(13,401)	(3,817)	(2,771)
<b>Closing net book amount at 30 June 2011</b>	<b>6,644,452</b>	<b>996,340</b>	<b>129,780</b>	<b>18,671</b>

## Selected Notes to the Interim Financial Information

### 7 PROPERTY, PLANT AND EQUIPMENT, LAND USE RIGHTS, INVESTMENT PROPERTY AND INTANGIBLE ASSETS (continued)

	Property, plant and equipment RMB'000	Land use rights RMB'000	Investment property RMB'000	Intangible assets RMB'000
<b>Six months ended 30 June 2012</b>				
<b>Opening net book amount at 1 January 2012</b>	<b>8,055,297</b>	<b>1,326,078</b>	<b>125,963</b>	<b>18,496</b>
Additions	928,324	—	—	7,625
Disposals	(5,292)	—	—	—
Depreciation/amortisation	(171,883)	(17,802)	(3,817)	(2,628)
<b>Closing net book amount at 30 June 2012</b>	<b>8,806,446</b>	<b>1,308,276</b>	<b>122,146</b>	<b>23,493</b>

### 8 PROPERTIES UNDER DEVELOPMENT

	As at	
	30 June 2012 RMB'000	31 December 2011 RMB'000
Properties under development expected to be completed:		
Within normal operating cycle included under current assets	<b>33,839,253</b>	28,370,042
Beyond normal operating cycle included under non-current assets	<b>26,313,229</b>	26,551,380
	<b>60,152,482</b>	54,921,422
Amount comprises:		
Construction costs	<b>29,391,218</b>	26,870,421
Land use rights	<b>28,586,640</b>	26,831,403
Interest capitalised	<b>2,174,624</b>	1,219,598
	<b>60,152,482</b>	54,921,422

The capitalisation rate used to determine the amount of interest incurred eligible for capitalisation in 2012 was 10.93 (2011: 10.68%). The properties under development are located in the PRC.

## Selected Notes to the Interim Financial Information

### 9 INVESTMENT IN AN ASSOCIATE

	RMB'000
<b>At 1 January 2011</b>	83,825
Share of profit	120,937
<b>At 31 December 2011</b>	<b>204,762</b>
Share of loss	<b>(53,969)</b>
<b>At 30 June 2012</b>	<b>150,793</b>

The Group's share of the results of its associate, which is unlisted, and its aggregated assets and liabilities, are as follows:

Name	Place of establishment	Principal activities	Assets	Liabilities	Revenue	Share of	% interest
			RMB'000	RMB'000	RMB'000	loss	held
Li He Property Development Company Limited ("Li He")	PRC	Development of a real estate project in Guangzhou	4,654,850	4,504,057	106,859	(53,969)	20%

The land of the aforementioned property development project of Li He consists of three phases. According to the agreed payment schedule of land premium, the third phase land premium of RMB10,200,000,000 should be settled in December 2011. As at 30 June 2012, there was an outstanding land premium totaling RMB9,200,000,000 remained unsettled. Management of Li He is in the progress of negotiating with relevant government authorities about the repayment schedule of this outstanding land premium, and has made a progress payment of approximately RMB1,000,000,000 on 1 August 2012. Based on the continuing negotiation initiated by the management of Li He and their consultation with an external lawyer, the directors of the Company consider that the delayed payment of land premium does not render significant adverse impact on the operation results and financial position of the Group as at 30 June 2012.

### 10 TRADE AND OTHER RECEIVABLES

	As at	
	30 June 2012 RMB'000	31 December 2011 RMB'000
Trade receivables (note (a))	<b>1,554,691</b>	1,181,362
Land auction deposits	<b>1,098,912</b>	1,195,382
Other receivables	<b>3,365,864</b>	1,865,709
Amount due from an associate (note 28(d))	<b>839,745</b>	1,139,745
Amounts due from customers for contract work (note (b))	<b>432,289</b>	404,190
Prepayments for land (note (c))	<b>4,235,322</b>	4,293,512
Other prepayments	<b>2,064,633</b>	2,455,595
	<b>13,591,456</b>	12,535,495

As at 30 June 2012, the fair value of trade and other receivables approximates their carrying amounts.

## Selected Notes to the Interim Financial Information

### 10 TRADE AND OTHER RECEIVABLES (continued)

Notes:

- (a) Trade receivables are mainly arisen from sales of properties. The ageing analysis of trade receivables is as follows:

	As at	
	30 June 2012 RMB'000	31 December 2011 RMB'000
Within 90 days	1,249,110	1,009,043
Over 90 days and within 180 days	212,187	110,161
Over 180 days and within 365 days	51,819	33,920
Over 365 days	41,575	28,238
	<b>1,554,691</b>	1,181,362

- (b) Amounts due from customers for contract work at the balance sheet date are as follows:

	As at	
	30 June 2012 RMB'000	31 December 2011 RMB'000
Cost incurred	4,130,370	4,077,952
Recognised profits	1,763,678	1,747,764
	<b>5,894,048</b>	5,825,716
Less: progress billings	(5,461,759)	(5,421,526)
Amounts due from customers	<b>432,289</b>	404,190
Including: Related companies (note 28(d))	398,932	381,992
Third parties	33,357	22,198

- (c) Prepayments for land are related to acquisition of land use rights upon successfully bidding at the land auctions conducted by the PRC government. The relevant land use right certificates have not been obtained at 30 June 2012.

## Selected Notes to the Interim Financial Information

### 11 RESTRICTED CASH

	As at	
	30 June 2012 RMB'000	31 December 2011 RMB'000
Guarantee deposits for construction of pre-sale properties (note)	<b>3,533,637</b>	2,871,622
Collateral for Equity Swap (note 19)	—	1,575,225
Collateral for borrowings (note 15)	<b>622,114</b>	202,170
	<b>4,155,751</b>	4,649,017

Note:

In accordance with relevant documents issued by the PRC State-Owned Land and Resource Bureau, certain property development companies of the Group are required to place in designated bank accounts certain amount of presale proceeds of properties as guarantee deposits for constructions of related properties. The deposits can only be used for purchases of construction materials and the payments of construction fee of the relevant property projects when approval from PRC State-Owned Land and Resource Bureau is obtained. Such guarantee deposits will only be released after completion of related pre-sold properties or issuance of the real estate ownership certificate, whichever is earlier.

### 12 CASH AND CASH EQUIVALENTS

	As at	
	30 June 2012 RMB'000	31 December 2011 RMB'000
Cash at bank and in hand:		
Denominated in RMB	<b>12,388,280</b>	9,720,308
Denominated in HK dollar	<b>1,000,056</b>	57,215
Denominated in US dollar	<b>223,608</b>	2,615,856
Denominated in other currencies	<b>3,699</b>	—
	<b>13,615,643</b>	12,393,379
Less: restricted cash (note 11)	<b>(4,155,751)</b>	(4,649,017)
	<b>9,459,892</b>	7,744,362

The conversion of Renminbi denominated balances into foreign currencies and the remittance of such foreign currencies denominated bank balances and cash out of the PRC are subject to relevant rules and regulations of foreign exchange control promulgated by the PRC government.

## Selected Notes to the Interim Financial Information

### 13 SHARE CAPITAL AND PREMIUM

	Number of ordinary shares	Nominal value of ordinary shares HK\$'000	Equivalent nominal value of ordinary shares RMB'000	Share premium RMB'000	Treasury Shares RMB'000	Total RMB'000
<b>Authorised</b>						
Authorised ordinary share of HK\$0.10 each at 31 December 2011 and 30 Jun 2012	100,000,000,000	10,000,000	9,905,008	—	—	9,905,008
<b>Issued and fully paid</b>						
Opening balance at 1 January 2011	16,699,138,043	1,669,914	1,647,530	14,114,902	(370,328)	15,392,104
Treasury shares purchased	—	—	—	—	(9,908)	(9,908)
At 31 December 2011 and 1 January 2012	16,699,138,043	1,669,914	1,647,530	14,114,902	(380,236)	15,382,196
Issue of shares as a result of placing (a)	677,191,602	67,719	54,895	1,679,694	—	1,734,589
Issue of shares as a result of the scrip dividend scheme (b)	853,330,509	85,333	69,206	2,182,764	—	2,251,970
<b>At 30 June 2012</b>	<b>18,229,660,154</b>	<b>1,822,966</b>	<b>1,771,631</b>	<b>17,977,360</b>	<b>(380,236)</b>	<b>19,368,755</b>

Note:

- (a) On 29 February 2012, the Company entered into a placing and subscription agreement with Concrete Win Limited ("Concrete Win"), the holding company of the Company, and certain placing agents (the "Agreement"). Pursuant to the Agreement, the Company conditionally agreed to issue to Concrete Win, and Concrete Win conditionally agreed to subscribe for 677,191,602 new shares of the Company at a price of HK\$3.23 per share. On 8 March 2012, 677,191,602 new shares were issued and allotted at a price of HK\$3.23 per share. These new shares are entitled to the scrip dividend as described in note (b) below.
- (b) On 18 May 2012, a scrip dividend scheme was issued whereby the 2011 final dividend was satisfied wholly in the form of an allotment of shares credited as fully paid up without offering any right to the shareholders to elect to receive such dividend in cash in lieu of such allotment. On 15 June 2012, 853,330,509 new shares were issued as of result of the above scrip dividend scheme at a price of HK\$3.254 per share representing the average of the closing prices of the Company's ordinary shares for the five consecutive trading days up to and including 4 May 2012.

## Selected Notes to the Interim Financial Information

### 14 OTHER RESERVES

	Merger reserve (note) RMB'000	Statutory reserve RMB'000	Conversion option reserve RMB'000	Translation reserve RMB'000	Total RMB'000
<b>Six months ended 30 June 2011</b>					
Balance at 1 January 2011	(149,801)	1,083,346	59,467	—	993,012
Effect of repurchase of convertible bond	—	—	(29,666)	—	(29,666)
Balance at 30 June 2011	(149,801)	1,083,346	29,801	—	963,346
<b>Six months ended 30 June 2012</b>					
Balance at 1 January 2012	<b>(149,801)</b>	<b>1,487,898</b>	<b>29,801</b>	<b>—</b>	<b>1,367,898</b>
Currency translation differences	—	—	—	(2,593)	(2,593)
Balance at 30 June 2012	<b>(149,801)</b>	<b>1,487,898</b>	<b>29,801</b>	<b>(2,593)</b>	<b>1,365,305</b>

Note:

Merger reserve of the Group represents the difference between the share capital of subsidiaries, acquired pursuant to a group reorganisation undertaken for the listing of the Company on the main board of the Stock Exchange, over the nominal value of shares of the Company issue in exchange thereof.

### 15 BANK BORROWINGS

	As at	
	30 June 2012 RMB'000	31 December 2011 RMB'000
Borrowings included in non-current liabilities:		
Bank borrowings		
— secured	<b>13,456,263</b>	9,910,250
— unsecured	<b>2,394,490</b>	2,859,501
Less: current portion of non-current borrowings	<b>(5,591,748)</b>	(5,361,450)
	<b>10,259,005</b>	7,408,301
Borrowings included in current liabilities:		
Bank borrowings		
— secured	<b>1,185,907</b>	885,400
— unsecured	<b>313,044</b>	222,140
Current portion of non-current borrowings	<b>5,591,748</b>	5,361,450
	<b>7,090,699</b>	6,468,990

## Selected Notes to the Interim Financial Information

### 15 BANK BORROWINGS (continued)

Movements in borrowings are analysed as follows:

	RMB'000
<b>Six months ended 30 June 2011</b>	
Opening amount as at 1 January 2011	9,864,906
Additions of borrowings	5,249,532
Repayments of borrowings	(3,064,726)
<b>Closing amount as at 30 June 2011</b>	<b>12,049,712</b>
<b>Six months ended 30 June 2012</b>	
Opening amount as at 1 January 2012	<b>13,877,291</b>
Additions of borrowings	<b>5,488,905</b>
Repayments of borrowings	<b>(2,016,492)</b>
<b>Closing amount as at 30 June 2012</b>	<b>17,349,704</b>

The Group's borrowings of RMB12,940,125,000 as at 30 June 2012 (31 December 2011: RMB9,122,750,000), were jointly secured by certain properties and land use rights of the Group with total carrying values of RMB18,006,831,000 as at 30 June 2012 (31 December 2011: RMB12,108,012,000). The Group's borrowings of RMB898,800,000 as at 30 June 2012 (31 December 2011: RMB1,330,000,000) were guaranteed by the Company and secured by the Group's equity interest in certain subsidiaries. The Group's remaining secured borrowings of RMB803,245,000 at 30 June 2012 (31 December 2011: RMB342,900,000) were secured by certain bank deposits of the Group (note 11).

The weighted average effective interest rates at 30 June were as follows:

	As at	
	30 June 2012	31 December 2011
Bank borrowings	<b>9.49%</b>	7.21%

The carrying amounts of the Group's bank borrowings are denominated in RMB and approximate their fair value.

## Selected Notes to the Interim Financial Information

### 16 CONVERTIBLE BOND

In 2008, the Company issued a RMB denominated USD settled 2.5% convertible bond (the "Bond") due 2013, of an initial principal amount of US\$600 million (equivalent to approximately RMB4,314 million). The Bond is listed on the Singapore Exchange Securities Trading Limited. At the option of bond holders, the aggregate amount of RMB4,314 million will be convertible into fully paid shares with a par value of HK\$0.1 each of the Company. The value of the liability component of RMB3,781.3 million and the equity conversion component of RMB424.8 million, net of transaction costs of RMB107.9 million, were determined at issuance of the Bond.

The Bond matures in five years (February 2013) from the issue date at 121.306% of the nominal value or can be converted into ordinary shares of the Company on or after 3 April 2009 at contracted price (the initial conversion price is HK\$9.05 per share) at a fixed exchange rate of RMB0.922 to HK\$1.

The fair value of the liability component included in long-term borrowings was calculated using a market interest rate for an equivalent non-convertible bond. The liability component is subsequently stated at amortised cost until extinguished on conversion or maturity of the Bond. The residual amount, representing the value of the equity conversion component, is accounted for as a conversion option reserve included in other reserves.

The total consideration (including transaction costs) paid to redeem the Bond is allocated to liability and equity components at the date of redemption. The difference between the consideration allocated to the liability component and its carrying value at the date of redemption is recognised in profit or loss. The amount of consideration allocated to the equity component is recognised in equity.

The Bond recognised in the balance sheet is calculated as follows:

	RMB'000
<b>Liability component as at 1 January 2011</b>	1,381,054
Interest expenses	84,518
Coupon paid	(26,057)
Redemption	(555,387)
<b>Liability component as at 31 December 2011</b>	884,128
Interest expenses	<b>39,372</b>
Coupon paid	<b>(9,763)</b>
<b>Liability component at 30 June 2012</b>	<b>913,737</b>

Interest expenses on the liability component of the Bond are calculated using the effective interest method, applying the effective interest rate of 9.24% p.a. to the liability component.

Up to 30 June 2012, there was no conversion of the Bond.

## Selected Notes to the Interim Financial Information

### 17 SENIOR NOTES

The Group issued the following senior notes in the current and prior years:

- (i) On 2 September 2009, the Company issued senior notes in an aggregate principal amount of US\$300,000,000. On 16 September 2009, the Company made an additional issue of senior notes in an aggregated principal amount of US\$75,000,000 (collectively the “2014 Notes”). The 2014 Notes are listed on the Singapore Exchange Securities Trading Limited. The 2014 Notes carry interest at the rate of 11.75% per annum, payable semi-annually on March 10 and September 10 in arrears, and will mature on 10 September 2014, unless redeemed earlier.

At any time, the Company may at its option redeem the 2014 Notes, in whole or in part, at a redemption price equal to 100% of the principal amount of the 2014 Notes plus certain premium as of, and accrued and unpaid interest, if any, to the redemption date.

At any time prior to 10 September 2012, the Company may redeem up to 35% of the aggregate principal amount of the 2014 Notes with the net cash proceeds of one or more sales of common stock of the Company in an equity offering at a redemption price of 111.75% of the principal amount of the 2014 Notes, plus accrued and unpaid interest, if any, to (but not including) the redemption date.

- (ii) On 15 April 2010, the Company issued senior notes in an aggregate principal amount of US\$550,000,000 (the “2017 Notes”). The 2017 Notes are listed on the Singapore Exchange Securities Trading Limited. The 2017 Notes carry interest at the rate of 11.25% per annum, payable semi-annually on April 22 and October 22 in arrears, and will mature on 22 April 2017, unless redeemed earlier.

At any time on or after 22 April 2014, the Company may redeem the 2017 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.

	<b>Redemption price</b>
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 2017 Notes, in whole but not in part, at a redemption price equal to 100% of the principal amount of the 2017 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.

## Selected Notes to the Interim Financial Information

### 17 SENIOR NOTES (continued)

(ii) (continued)

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 2017 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 2017 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 2017 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.

(iii) On 4 August 2010, the Company issued senior notes in an aggregate principal amount of US\$400,000,000 (the "2015 Notes"). The 2015 Notes are listed on the Singapore Exchange Securities Trading Limited. The 2015 Notes carry interest at the rate of 10.50% per annum, payable semi-annually on February 11 and August 11 in arrears, and will mature on 11 August 2015, unless redeemed earlier.

At any time prior to 11 August 2015, the Company may at its option redeem the 2015 Notes, in whole but not in part, at a redemption price equal to 100% of the principal amount of the 2015 Notes plus the applicable premium as of, and accrued and unpaid interest, if any, to (but not including) the redemption date.

At any time prior to 11 August 2013, the Company may redeem up to 35% of the aggregate principal amount of the 2015 Notes with the net cash proceeds of one or more sales of common stock of the Company in an equity offering at a redemption price of 110.50% of the principal amount of the 2015 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 2015 Notes originally issued on the original issue date remains outstanding after each such redemption and any such redemption takes place within 60 days after the closing of the related equity offering.

(iv) On 23 February 2011, the Company issued senior notes in an aggregate principal amount of US\$900,000,000 (the "2018 Notes"). The 2018 Notes are listed on the Singapore Exchange Securities Trading Limited. The 2018 Notes carry interest at the rate of 11.125% per annum, payable semi-annually on February 23 and August 23 in arrears, and will mature on 23 February 2018, unless redeemed earlier.

At any time and from time to time on or after 23 February 2015, the Company may redeem the 2018 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 23 February of each of the years indicated below.

	Redemption price
2015	105.5625%
2016	102.7813%
2017 and thereafter	100.00%

## Selected Notes to the Interim Financial Information

### 17 SENIOR NOTES (continued)

(iv) (continued)

At any time prior to 23 February 2015, the Company may at its option redeem the 2018 Notes, in whole but not in part, at a redemption price equal to 100% of the principal amount of the 2018 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 23 February 2014, the Company may redeem up to 35% of the aggregate principal amount of the 2018 Notes with the proceeds from sales of certain kinds of the Company's capital stock at a redemption price of 111.125% of the principal amount of the 2018 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 2018 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.

The 2014 Notes, 2017 Notes, 2015 Notes and 2018 Notes contain a liability component and the above early redemption options:

- (i) Liability component represents the present value of the contractually determined stream of future cash flows discounted at the prevailing market interest rate at that time applicable to instruments of comparable credit status and providing substantially the same cash flows, on the same terms, but without the embedded derivatives.

The interest charged for the year is calculated by applying an effective interest rate of approximately 12.11%, 11.81%, 11.23% and 11.69% per annum to the liability component of the 2014 Notes, 2017 Notes, 2015 Notes and 2018 Notes, respectively.

- (ii) Early redemption options are regarded as embedded derivatives not closely related to the host contract. The directors consider that the fair value of the above early redemption options is insignificant on initial recognition and at 30 June 2012.

The 2014 Notes, 2017 Notes, 2015 Notes and 2018 Notes recognised in the balance sheet were calculated as follows:

	RMB'000
<b>Carrying amount as at 1 January 2011</b>	8,872,270
Additions	5,770,437
Exchange gains	(664,889)
Interest expenses	1,503,628
Coupon paid	(1,276,999)
<b>Carrying amount as at 31 December 2011</b>	14,204,447
Exchange losses	<b>49,702</b>
Interest expenses	<b>805,940</b>
Coupon paid	<b>(781,647)</b>
<b>Carrying amount as at 30 June 2012</b>	<b>14,278,442</b>

## Selected Notes to the Interim Financial Information

### 18 TRADE AND OTHER PAYABLES

	As at	
	30 June 2012 RMB'000	31 December 2011 RMB'000
Trade payables (note)	<b>9,327,673</b>	8,629,421
Other payables — third parties	<b>3,686,419</b>	2,305,622
Other taxes payable	<b>626,701</b>	604,993
Staff welfare benefit payable	<b>434,482</b>	917,749
Accrued expenses	<b>577,655</b>	352,560
	<b>14,652,930</b>	12,810,345

Note:

The ageing analysis of trade payables at the balance sheet date is as follows:

	As at	
	30 June 2012 RMB'000	31 December 2011 RMB'000
Within 90 days	<b>8,800,575</b>	8,115,814
Over 90 days and within 180 days	<b>204,128</b>	200,181
Over 180 days and within 365 days	<b>195,269</b>	199,549
Over 365 days	<b>127,701</b>	113,877
	<b>9,327,673</b>	8,629,421

### 19 DERIVATIVE FINANCIAL INSTRUMENTS

Upon the issue of the RMB denominated USD settled 2.5% convertible bond as disclosed in note 16, the Company entered into a cash settled equity swap transaction (the "Equity Swap") for the Company's shares up to a value of US\$250 million (equivalent to approximately HK\$1,950 million) on 22 February 2008, and as a result, the Company has put up collateral in the amount of US\$250 million (the "Collateral") to Merrill Lynch International. Under the Equity Swap, the Company will either receive a payment from or settle a payment to Merrill Lynch International if the final price is higher or lower than the initial price upon termination of the Equity Swap. The initial price was determined in accordance with the formula as set out in the Equity Swap contract, and the final price will be determined with reference to the arithmetic mean of the relevant prices of the Company's shares on specified averaging dates upon termination of the Equity Swap. Besides, the termination date of the Equity Swap will be determined based on the earlier of 2013 or a date when certain condition as stipulated in the Equity Swap contract is fulfilled.

## Selected Notes to the Interim Financial Information

### 19 DERIVATIVE FINANCIAL INSTRUMENTS (continued)

According to the Equity Swap transactions entered with Merrill Lynch International, Merrill Lynch International would pay the Company an amount equivalent to the number of shares under the Equity Swap multiplied by the dividend per Company's share as a return of the Equity Swap.

On 5 January 2011, the Company entered into an amendment and restatement agreement with Merrill Lynch International (the "Amendment"). Pursuant to the Amendment, Merrill Lynch International no longer has the above option to early terminate the Equity Swap and only the Company has the option to terminate the Equity Swap early on any scheduled trading day, at its election, prior to the termination of the Equity Swap.

On 2 March 2012, the Company entered into an agreement with Merrill Lynch International to terminate the Equity Swap in whole. As a result of the termination of the Equity Swap, the Collateral was released and the Company is entitled to receive and has received approximately US\$113 million of cash back as of 30 June 2012.

Derivative financial instruments liabilities as at balance sheet date are as follows:

	As at	
	30 June 2012 RMB'000	31 December 2011 RMB'000
Equity Swap	—	919,774

### 20 OTHER GAINS — NET

	Six months ended 30 June	
	2012 RMB'000	2011 RMB'000
Return from Equity Swap	—	27,290
Forfeiture income	11,182	8,744
Gains on disposal of property, plant and equipment	(194)	271
Others	9,674	(17,407)
	20,662	18,898

## Selected Notes to the Interim Financial Information

### 21 EXPENSES BY NATURE

	Six months ended 30 June	
	2012 RMB'000	2011 RMB'000
Advertising costs	414,521	165,258
Amortisation of intangible assets (note 7)	2,628	2,771
Business taxes and other levies (note)	1,062,017	968,379
Costs of completed properties sold	8,400,815	9,441,399
Donations	17,815	18,192
Depreciation (note 7)	175,700	128,918
Employee benefit expenses	690,744	491,149
Land use rights amortisation (note 7)	17,802	13,401
Surveillance charges	9,375	12,427
Rental expenses	18,281	8,498
Others	566,428	230,409
<b>Total cost of sales, selling and marketing costs and administrative expenses</b>	<b>11,376,126</b>	<b>11,480,801</b>

Note:

#### **Business tax**

The PRC companies now comprising the Group are subject to business taxes on their revenues at the following rates:

Category	Rate
Sales of properties	5%
Property, fitting construction and decoration	3%
Property management	5%
Hotel operation	5%

## Selected Notes to the Interim Financial Information

### 22 FINANCE (COSTS)/INCOME – NET

	Six months ended 30 June	
	2012 RMB'000	2011 RMB'000
Interest expenses:		
– Bank borrowings	(745,202)	(373,556)
– The Bond (note 16)	(39,372)	(46,183)
– Senior notes (note 17)	(805,940)	(720,433)
	(1,590,514)	(1,140,172)
Loss on redemption of the Bond	–	(243)
Less:		
– Net foreign exchange (loss)/gains on financing activities	(36,194)	174,113
– Amounts capitalised on qualifying assets	1,289,115	946,680
Finance costs	(337,593)	(19,622)
Finance income:		
– Interest income on short-term bank deposits	43,376	46,128
Finance (costs)/income – net	(294,217)	26,506

### 23 INCOME TAX EXPENSE

	Six months ended 30 June	
	2012 RMB'000	2011 RMB'000
Current income tax		
– PRC enterprise income tax (note (a))	1,196,380	1,120,580
– Hong Kong profits tax (note (b))	–	–
– Land appreciation tax (note (c))	1,295,154	475,377
Deferred income tax	(356,295)	(885)
	2,135,239	1,595,072

- (a) PRC enterprise income tax is provided at the rate of 25% (2011: 25%) of the profits for the PRC statutory financial reporting purpose, adjusted for those items, which are not assessable or deductible for the PRC enterprise income tax purpose.

Furthermore, in accordance with the “Corporate Income Tax Law of the People’s Republic of China” and the “Implementation Regulations of the Corporate Income Tax Law of the People’s Republic of China” promulgated by the State Council on 6 December 2007 and effective on 1 January 2008, an income tax rate of 10% shall be applicable to any dividends payable to non PRC Tax Resident Enterprises from PRC Tax Resident Enterprises.

In accordance with the “Arrangement between the Mainland of China and the Hong Kong Special Administrative Region for the Avoidance of Double Taxation and the Prevention of Fiscal Evasion with respect to Taxes on Income”, if the beneficial owner of the dividends is a company directly owning at least 25% of the capital of the company which pays the dividends, 5% of the gross amount of the dividends is applied.

## Selected Notes to the Interim Financial Information

### 23 INCOME TAX EXPENSE (continued)

- (b) No Hong Kong profits tax was provided for the six months ended 30 June 2012 as the Group did not have any assessable profit (2011: nil).
- (c) PRC land appreciation tax 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 cost of land use rights and all property development expenditures.

### 24 EARNINGS PER SHARE

Earnings per share attributable to owners of the Company as follows:

#### (a) Basic

Basic earnings per share is calculated by dividing the profit attributable to owners of the Company by the weighted average number of ordinary shares in issue during the period, excluding ordinary shares purchased by the Group and held as treasury shares (note 13).

	Six months ended 30 June	
	2012	2011
Profit attributable to owners of the Company (RMB'000)	<b>2,976,136</b>	2,870,575
Weighted average number of ordinary shares in issue (thousands)	<b>17,883,883</b>	17,465,292
Basic (RMB cents per share)	<b>16.64</b>	16.44

Basic earnings per share for the six months ended 30 June 2011 was restated for the effect of issuance of shares under the scrip dividend scheme in June 2012 (note 13(b)).

#### (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's only dilutive potential ordinary share is the Bond. The Bond is assumed to have been converted into ordinary shares, and the net profit is adjusted to eliminate the interest expenses. Since the impact of conversion of convertible bond on earnings per share is anti-dilutive for the period ended 30 June 2012 and 2011, diluted earnings per share is equal to basic earnings per share.

## Selected Notes to the Interim Financial Information

### 25 DIVIDENDS

The Board of Directors did not recommend the payment of any interim dividend for the six months ended 30 June 2012 (2011: nil).

A final dividend in respect of 2011 of RMB12.96 cents per share, amounting to total dividends of approximately RMB2,251,970,000 has been declared in the Annual General Meeting on 26 April 2012.

On 18 May 2012, a scrip dividend scheme was issued whereby the 2011 final dividend was satisfied wholly in the form of an allotment of shares credited as fully paid up without offering any right to the shareholders to elect to receive such dividend in cash in lieu of such allotment (note 13).

### 26 CONTINGENCIES

The Group had the following contingent liabilities:

	As at	
	30 June 2012 RMB'000	31 December 2011 RMB'000
Guarantees in respect of mortgage facilities for certain purchasers (note (a))	16,390,535	15,782,991
Guarantee in respect of borrowings (note (b))	1,897,900	1,500,400
	<b>18,288,435</b>	17,283,391

Note:

- (a) It represented the guarantees in respect of mortgage facilities granted by certain banks relating to the mortgage loans arranged for certain purchasers of the Group's properties. Pursuant to the terms of the guarantees, upon default in mortgage payments by these purchasers, the Group is responsible to repay the outstanding mortgage principals together with accrued interest and penalty owed by the defaulted purchasers to the banks and the Group is entitled to take over the legal title and possession of the related properties. As at 30 June 2012, the amount of RMB33,286,000 (31 December 2011: RMB106,354,000) was to be discharged two years from the day the mortgaged loans become due; and RMB16,357,249,000 (31 December 2011: RMB15,676,637,000) was to be discharged upon earlier of (i) issuance of the real estate ownership certificate which are generally be available within three months after the purchasers take possession of the relevant properties; and (ii) the satisfaction of mortgaged loan by the purchasers of properties.

The directors consider that in case of default in payments, the net realizable value of the related properties can cover the repayment of the outstanding mortgage principals together with the accrued interest and penalty and therefore no provision has been made in the financial statements for the guarantees.

- (b) This represents the maximum exposure of the guarantee provided for Li He for its bank borrowings.

## Selected Notes to the Interim Financial Information

### 27 COMMITMENTS

**(a) Commitments for capital and property development expenditures**

	As at	
	30 June 2012 RMB'000	31 December 2011 RMB'000
Contracted but not provided for Property, plant and equipment	8,520	16,687
Property development expenditure (including land premium)	18,748,242	19,179,413
	<b>18,756,762</b>	19,196,100

**(b) Operating lease commitments**

The future aggregate minimum lease payments under non-cancellable operating leases in respect of land and buildings are as follows:

	As at	
	30 June 2012 RMB'000	31 December 2011 RMB'000
Not later than one year	8,212	16,414
Later than one year and not later than five years	9,603	55,623
Later than five years	9,215	134,438
	<b>27,030</b>	206,475

**(c) Operating lease rentals receivable**

The future aggregate minimum lease rentals receivable under non-cancellable operating leases in respect of land and buildings are as follows:

	As at	
	30 June 2012 RMB'000	31 December 2011 RMB'000
Not later than one year	52,550	48,113
Later than one year and not later than five years	194,824	196,006
Later than five years	39,956	42,047
	<b>287,330</b>	286,166

## Selected Notes to the Interim Financial Information

### 28 RELATED PARTY TRANSACTIONS

#### (a) Name and relationship with related parties

##### *Shareholders*

Mr. Yang Erzhu, Ms. Yang Huiyan, Mr. Su Rubo, Mr. Zhang Yaoyuan and Mr. Ou Xueming.

##### *Close family members of Shareholders*

Mr. Yeung Kwok Keung, Mr. Zhang Chibiao, Ms. Zhang Yingyan, Mr. Yang Minsheng, Mr. Su Zhixian, Mr. Yang Zhicheng, Mr. Yang Zhigang, Ms. Yang Ziyang, Ms. Ou Jieping, Ms. Ou Jieling and Mr. Wu Weizhong.

##### *Controlled By Shareholders*

Guangdong Elite Architectural Co., Ltd.	廣東博意建築設計院有限公司
Qingyuan Country Garden Property Development Co., Ltd. ("Qingyuan Country Garden")	清遠碧桂園物業發展有限公司

##### *Controlled by Shareholders and their close family members*

Foshan Shunde Jiangkou Water Plant Co., Ltd.	佛山市順德區江口自來水有限公司
Zengcheng Crystal Water Plant Co., Ltd.	增城市清源自來水廠有限公司
Guangdong Grand Pipe Pile Co., Ltd. ("Grand Pipe")	廣東鴻業管樁有限公司

##### *Associate*

Li He	廣州利合房地產開發有限公司
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The English names of certain of the companies referred to above in this note represent management's best efforts in translating the Chinese names of these companies as no English names have been registered or available.

#### (b) Transactions with related parties

During the period, the Group had the following significant transactions with related parties:

##### (i) Construction and decoration service income

	Six months ended 30 June	
	2012 RMB'000	2011 RMB'000
<b>Controlled by Shareholders:</b>		
清遠碧桂園物業發展有限公司		
Qingyuan Country Garden	<b>44,946</b>	84,785

## Selected Notes to the Interim Financial Information

### 28 RELATED PARTY TRANSACTIONS (continued)

#### (b) Transactions with related parties (continued)

##### (ii) Purchase of design service

	Six months ended 30 June	
	2012	2011
	RMB'000	RMB'000
<b>Controlled by Shareholders:</b>		
廣東博意建築設計院有限公司 Guangdong Elite Architectural Co., Ltd	137,402	104,672

##### (iii) Purchase of construction materials and water

	Six months ended 30 June	
	2012	2011
	RMB'000	RMB'000
<b>Controlled by Shareholders and their close family members:</b>		
佛山市順德區江口自來水有限公司 Foshan Shunde Jiangkou Water Plant Co., Ltd.	2,062	2,214
增城市清源自來水廠有限公司 Zengcheng Crystal Water Plant Co., Ltd.	3,127	2,169
廣東鴻業管樁有限公司 Grand Pipe	7,739	7,817
	<b>12,928</b>	12,200

##### (iv) Providing guarantee for borrowings

	Six months ended 30 June	
	2012	2011
	RMB'000	RMB'000
<b>Associate:</b>		
廣州利合房地產開發有限公司 Li He (note 26)	1,897,900	922,500

#### (c) Key management compensation

	Six months ended 30 June	
	2012	2011
	RMB'000	RMB'000
Salaries and other short-term employee benefits	8,249	8,441

## Selected Notes to the Interim Financial Information

### 28 RELATED PARTY TRANSACTIONS (continued)

#### (d) Balances with related parties

As at 30 June 2012, the Group had the following significant balances with related parties:

##### (i) Balances due from related parties

	As at	
	30 June 2012 RMB'000	31 December 2011 RMB'000
<b>Included in amount due from customers of contract work:</b>		
— <b>Controlled by Shareholders:</b> 清遠碧桂園物業發展有限公司 Qingyuan Country Garden	<b>398,932</b>	381,992
<b>Included in other receivables and prepayments:</b>		
— <b>Controlled by Shareholders:</b> 廣東博意建築設計院有限公司 Guangdong Elite Architectural Co., Ltd.	<b>284,662</b>	53,392
— <b>Controlled by Shareholders and their close family members:</b> 廣東鴻業管樁有限公司 Grand Pipe	<b>53,030</b>	53,030
— <b>Associate:</b> 廣州利合房地產開發有限公司 Li He	<b>839,745</b>	1,139,745
	<b>1,177,437</b>	1,246,167

##### (ii) Balances due to related parties

	As at	
	30 June 2012 RMB'000	31 December 2011 RMB'000
<b>Included in trade and other payables:</b>		
— <b>Controlled by Shareholders:</b> 廣東博意建築設計院有限公司 Guangdong Elite Architectural Co., Ltd.	<b>89,408</b>	75,019
— <b>Controlled by Shareholders and their close family members:</b> 廣東鴻業管樁有限公司 Grand Pipe	<b>407</b>	9,329
增城市清源自來水廠有限公司 Zengcheng Crystal Water Plant Co.,	<b>1,164</b>	—
	<b>90,979</b>	84,348

# Corporate Information

## DIRECTORS

### Executive Directors

Mr. YEUNG Kwok Keung (*Chairman*)  
Ms. YANG Huiyan (*Vice Chairman*)  
Mr. MO Bin  
Ms. YANG Ziyang  
Mr. YANG Erzhu  
Mr. SU Rubo  
Mr. ZHANG Yaoyuan  
Mr. OU Xueming  
Mr. YANG Zhicheng  
Mr. YANG Yongchao

### Independent Non-executive Directors

Mr. LAI Ming, Joseph  
Mr. SHEK Lai Him, Abraham  
Mr. TONG Wui Tung, Ronald

## CHIEF FINANCIAL OFFICER

Ms. NG Yi Kum, Estella

## COMPANY SECRETARY

Mr. HUEN Po Wah

## AUTHORIZED REPRESENTATIVES

Ms. YANG Huiyan  
Mr. MO Bin  
Ms. NG Yi Kum, Estella (*alternate to Ms. YANG Huiyan*)  
Ms. NG Chi Man (*alternate to Mr. MO Bin*)

## AUDIT COMMITTEE

Mr. LAI Ming, Joseph (*Chairman*)  
Mr. SHEK Lai Him, Abraham  
Mr. TONG Wui Tung, Ronald

## REMUNERATION COMMITTEE

Mr. TONG Wui Tung, Ronald (*Chairman*)  
Mr. YEUNG Kwok Keung  
Mr. MO Bin  
Mr. LAI Ming, Joseph  
Mr. SHEK Lai Him, Abraham

## NOMINATION COMMITTEE

Mr. YEUNG Kwok Keung (*Chairman*)  
Mr. LAI Ming, Joseph  
Mr. TONG Wui Tung, Ronald

## CORPORATE GOVERNANCE COMMITTEE

Mr. YEUNG Kwok Keung (*Chairman*)  
Ms. YANG Huiyan  
Mr. MO Bin

## REGISTERED OFFICE

Cricket Square  
Hutchins Drive  
P.O. Box 2681  
Grand Cayman  
KY1-1111  
Cayman Islands

## PRINCIPAL PLACE OF BUSINESS IN THE PEOPLE'S REPUBLIC OF CHINA

Shunde Country Garden  
Beijiao Town  
Shunde District  
Foshan  
Guangdong 528312  
PRC

## PRINCIPAL PLACE OF BUSINESS IN HONG KONG

Rooms 901-904  
9/F Manulife Provident Funds Place  
345 Nathan Road  
Kowloon  
Hong Kong

## PRINCIPAL SHARE REGISTRAR AND TRANSFER OFFICE

Butterfield Fund Services (Cayman) Limited  
Butterfield House  
68 Fort Street  
George Town  
Grand Cayman  
KY1-1107  
Cayman Islands

## Corporate Information

### HONG KONG BRANCH SHARE REGISTRAR AND TRANSFER OFFICE

Tricor Investor Services Limited  
26/F, Tesbury Centre  
28 Queen's Road East  
Wanchai  
Hong Kong

### PRINCIPAL BANKERS

Agricultural Bank of China  
Bank of China Limited  
Industrial and Commercial Bank of China Limited  
China Construction Bank Corporation  
The Hongkong and Shanghai Banking Corporation Limited  
The Bank of East Asia, Limited  
UBS

### AUDITOR

PricewaterhouseCoopers

### LEGAL ADVISORS

#### As to Hong Kong law:

Woo Kwan Lee & Lo  
lu, Lai & Li

#### As to PRC law:

Jingtian & Gongcheng

### STOCK CODE

The Stock Exchange of Hong Kong Limited  
Stock Code: 2007

### WEBSITE

<http://www.countrygarden.com.cn>



