

For immediate release



**Country Garden Announces Interim Results for 2015
Total Revenue Amounted to RM47.33 Billion
Core Net Profit Increased by 3.6% to RMB4.88 Billion**

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Highlights

- Revenue amounted to RMB47.33 billion for the six months ended 30 June 2015, representing an increase of approximately 23.5% compared with the first six months of 2014. Revenue from property sales amounted to RMB45.50 billion, representing an increase of 23.0% compared with the first six months of 2014. Recognized GFA reached approximately 7.25 million sq.m., representing an increase of 35.6% compared with the first six months of 2014.
- Profit attributable to owners of the Company amounted to RMB4.93 billion. Basic earnings per share amounted to RMB23.34 cents. Core net profit amounted to RMB4.88 billion.
- As at 30 June 2015, the Group's net gearing ratio was 56.3%, representing a decrease of 0.7 percentage points compared with the end of 2014; the Group's weighted average borrowing cost as at 30 June 2015 was 7.07%, representing a decrease of 52 basis points compared with the end of 2014.
- For the six months ended 30 June 2015, the Group together with its joint venture and associates achieved contracted sales of approximately RMB54.47 billion with GFA 8.45 million sq.m.
- For the six months ended 30 June 2015, the estimated total GFA of the Group's acquired land parcels was 7.55 million sq.m., and the total cost for the land purchases was approximately RMB8.02 billion.
- Since the beginning of 2015 to date, the Company has been accredited by the international credit rating agencies Standard & Poor's, Moody's and Fitch Ratings with BB+, Ba1 and BB+ credit ratings respectively. In the first half of 2015, the Company issued USD900 million senior notes with coupon rate of 7.5%.
- The Board declared an interim dividend of RMB6.48 cents per share, in the form of cash. The total dividend payout accounted for 30.0% of the total core net profit.

(19 August 2015 – Hong Kong) Country Garden Holdings Company Limited ("Company", SEHK stock code: 2007), and its subsidiaries (which are collectively referred to as "Country Garden" or the "Group"), one of the leading integrated property developers in China, is pleased to announce the interim results for the six months ended 30 June 2015.

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The Group generated a total revenue of RMB47.33 billion for the six months of 2015, representing an increase of approximately 23.5% compared with the first six months of 2014, of which revenue from property development segment were approximately RMB45.50 billion, representing an increase of approximately 23.0% compared with the first six months of 2014. Gross profit before the land appreciation tax amounted to approximately RMB10.97 billion, representing an increase of approximately 0.2% compared with the first six months of 2014. Profit attributable to owners of the Company amounted to approximately RMB4.93 billion. The Group's core net profit amounted to RMB4.88 billion, representing an increase of approximately 3.6% compared with the first six months of 2014. Basic earnings per share amounted to RMB23.34 cents.

The Board declared an interim dividend of RMB6.48 cents per share. The total dividend payout accounted for 30.0% of the total core net profit.

In the first half of 2015, the Group, together with its joint venture and associates, achieved contracted sales of approximately RMB54.47 billion, with gross floor area ("GFA") of 8.45 million sq.m.. The cash collection of the Group's contracted sales reached approximately RMB49.6 billion. This further strengthens the Group's position as the largest residential property developer focusing on urbanization in China.

Regarding target markets, approximately 50% of the Group's sales was contributed from the projects targeting Tier 1 and 2 cities, and the remaining 50% was from projects targeting Tier 3 and 4 cities. With the enhanced and optimized project acquisition, product positioning and marketing capabilities, together with a range of innovative measures of the Group including the expansion on the internet platform, the sales volume increased, and the inventory level showed further decline with further increase of the sell-through rate.

In respect of financial management, the Group strictly pursued its red-line management, and by implementing various capital structure optimizing mechanisms, such as liquidizing the existing assets and expanding financing channels, the Group further reduced its financing costs to support solid operations and sustainable development. The Group issued senior notes during the first half of 2015 of USD900 million with 5 years tenor and 7.5% coupon rate, which recorded 5 times oversubscription. As at 30 June 2015, the Group's available cash amounted to RMB27.22 billion, accounting for about 9.4% of its total assets, while the net gearing ratio was 56.3%, down by 0.7 percentage points from 57.0% as at 31 December 2014. As at 30 June 2015, the Group's weighted average borrowing cost was 7.07%, representing a decrease of 52 basis points from 7.59% as at 31 December 2014. The sound financial position of the Group was well recognized by the capital market. Since the beginning of 2015, Fitch Ratings upgraded the Group's rating from BB+ (stable outlook) to BB+ (positive outlook), and Moody's upgraded the Group's rating from Ba2 to Ba1 (stable outlook). Moreover, Standard & Poor's upgraded our credit ratings twice in the previous year, with our corporate credit rating rising from BB to BB+ (stable outlook) and bond credit rating rising from BB- to BB+. There is no doubt that Country Garden has become the non state owned residential property developer with the highest international credit rating in China. In addition, Country Garden will continue to make the best use of capital markets both domestically and overseas: as for domestic capital market, Zengcheng Country Garden Property Development Co., Ltd., a wholly-owned subsidiary of the Group, issued domestic corporate bonds of total RMB6 billion in two tranches with terms of three years to qualified investors. The two tranches of bonds with principal amount of RMB3 billion each were priced on 31 July 2015 and 11 August 2015 respectively at the same coupon rate of 4.2% per annum. The costs of this issuance of domestic corporate bonds hit a record low in the bond issuance history and domestic financing history of the Group, its interest rates also broke the lowest record of the initial issuance of corporate bond by red chips real estate companies. As for

offshore capital market, as at 31 July 2015, the Group has taken out a four-year HKD/USD dual tranche syndicated loan of an amount equivalent to USD800 million with annual interest rate of HIBOR/LIBOR +3.10%, and integrated financing cost of HIBOR/LIBOR +3.80% from 12 Chinese, Hong Kong and European banks. It is the biggest bank loan ever taken out by the Group with the lowest interest rate among the loans of the same tenure and with the largest number of banks underwriting it. It was also the largest syndicated loan taken out by a non-state owned Chinese residential property developer in the international syndicated loan market with the largest number of banks underwriting it in the first half of 2015. In the future, it is expected that the finance costs of the Group will be lowered, which is conducive to the Group's sound financial positions.

During the period, the Group successfully introduced Ping An as a strategic investor to further improve its shareholding structure and raised an amount of approximately HKD6.3 billion, to be applied for the Company's development and as general working capital. Close partnership between both parties has commenced in four main aspects, namely financing, investment, marketing, and community business, to perfect the property industry chain by consolidating community resources and to facilitate the profit maximization for both parties. Currently, the strategic partnership of both parties is deepening.

Property management and community business are going to be the Group's potential profit driver, and Country Garden is committed to widen the business scope for the future of the real estate industry by tapping into community business. As at 30 June 2015, the Group's property management services covered 274 projects with contracted area of approximately 122 million sq.m., of which the area under the management of property management team were 77.01 million sq.m., and the remaining area was to be delivered. Altogether the Group served approximately 420 thousand households of owners and residents in China. During the period, revenue from the Group's property management business was approximately RMB905 million, representing an increase of 86.1% compared with the first six months of 2014. The Group may in future utilize capital market to reinforce income source diversification, sustainable development, and value enhancement.

The Group's hotel business continued to facilitate in project acquisition and sales. As at 30 June 2015, the Group operated 41 five-star or five-star standard hotels and 4 four-star or four-star standard hotels, with a total of 12571 guest rooms. In the first half of 2015, income from the hotels was approximately RMB611 million, representing an increase of 47.9% compared with the first six months of 2014. Most of the Group's hotels are located within the community development projects. Country Garden will focus on increasing the capital market value and investment returns of the hotel assets.

As one of the organic components of the Group's vertically integrated industrial value chain, construction, fitting and decoration segment generated revenue of approximately RMB6940 million in the first half of 2015, of which approximately RMB262 million was derived from sales to external customers. The close coordination and cooperation between the construction, fitting and decoration segment and property development segment enabled the enhancement of the Group's core competitiveness including cost control, progress supervision, and capital allocation optimization.

Meanwhile, the Group was committed to enhance the value of its commercial properties. As at 30 June 2015, the total GFA of the Group's investment properties was approximately 967 thousand sq.m., with a fair value of approximately RMB7.95 billion. Of which, 833 thousand sq.m. of GFA were completed with a fair value of approximately RMB6.85 billion. During the period, the rental income from the investment properties amounted to approximately RMB47.34 million.

In terms of human resources, the Group has put in more efforts in headhunting and training. The Group introduced a large number of highly educated talents with cross-industries background for the establishment of a complete human resources system. As of 30 June 2015, more than 200 staff members have joined the management internship program, which is in place to train them into high-caliber and well-rounded industrial talents, who will become the mainstay of the Group in future. Furthermore, the Group's strong legal team will continue to safeguard Country Garden against various exposures.

In order to adapt to the ever-changing market, the Group established the partnership scheme, which strengthened internal control and enabled constant development breakthroughs. Through the sharing of investment, risks and income between core management and shareholders of the Company, solid support contributed to Country Garden's results and efficiency. Since October 2014, 45 projects have been implemented with this partnership scheme successfully. The Board believes that, with the implementation of the partnership scheme, the Group's management structure and operations will continue to be enhanced. In future, the partnership scheme will be expanded into other business units related to property development for their promotion.

To become a blue-chip company, it is necessary for Country Garden to maintain a steady operation. Country Garden will also further emphasize cost and risk control to safeguard the net operating cash flows and solid operation. In future, Country Garden will leverage on various financing measures to strengthen or consolidate different community-related businesses in the property industry chain, to improve the platform for community resources consolidation, and to build an industry chain that covers different stages of life cycles, with an aim of unleashing the value of the Group's assets. In the current of urbanization, the colleagues of the Group will continue to actively explore the new opportunities arising from property-related sectors under the new norm, striving for the best results and returns for the shareholders.

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About Country Garden

Country Garden is one of China's leading integrated property developers. It has standardized operations with business comprising property development construction, installation, fitting, property management, property investment, as well as hotel development and management. In addition, "Country Garden" has been named by the PRC State Administration for Industry and Commerce as "China's Well-Known Trademarks" in the property sector in 2006. The Group became a constituent stock of MSCI Global Standard Indices on 1 September 2007. It also became a constituent stock of Hang Seng Composite Index 200 and Hang Seng Mainland Composite Index on 10 September 2007.

Forward-looking Information

This press release contains forward-looking statements. These forward-looking statements are based on current expectations. These statements are not guarantees of future events or results. Future events and results involve some risks, uncertainties and assumptions that are difficult to predict. Actual events and results could vary materially from the description contained herein due to many factors including changes in the business and financial condition of the Company and its subsidiaries, changes in the condition of the PRC economy and property market, and changes in the capital markets in general.

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