

[For immediate release]



## **Country Garden's Contracted Sales Reach RMB100 Billion, Representing a Significant YOY Growth of 161%**

### **Expected to Beat Full-Year Contracted Sales Target**

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(8 June 2016 – Hong Kong) Country Garden Holdings Company Limited (the "Company", SEHK stock code: 2007, or "Country Garden" or the "Group" together with its subsidiaries), the largest urbanization specialist developer in China, announces that the Group, together with its joint ventures and associates, has achieved contracted sales of approximately RMB100.00 billion with contracted GFA of approximately 12.69 million sq.m. as at 8 June 2016, representing a significant year-on-year increase of 161% and 106% respectively. Country Garden has secured 59.5% of its full-year contracted sales target and is leading its way to achieving RMB100 billion in contracted sales before mid-year. The Group is expected to beat its full-year contracted sales target and this will be the fourth consecutive year for Country Garden to generate over RMB100 billion in contracted sales.

The achievement of business growth was attributable to the Group's successful judgement of market opportunities from the nationwide urbanization and favorable government policies. Since 2015, the government has been implementing targeted stimulation to the real estate industry, which has eased the policy environment for the real estate market. Currently, home and other demands brought about by urbanization are expected to exist for the long run. Leveraging market demands and support from the government, further exploration of returns brought about by urbanization, enhancement in the competitiveness of products and acceleration in asset turnover are the keys to Country Garden's satisfactory results.

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As urbanization continues to deepen, with favorable policies step-up and financing environment, Country Garden actively adapted to the market consolidation trend and has strengthened urban expansion. Taking the land bank targeting four tier-one cities including Beijing, Shanghai, Guangzhou and Shenzhen as of 31 March as an example, such land bank is expected to bring a total salable resources of approximately RMB210.92 billion with GFA of approximately 22.18 million sq.m. to the Group in 2016 and after. Among which, there are 29 projects targeting the Shenzhen market with an expected total salable resources of RMB154.39 billion with GFA of approximately 17.21 million sq.m.. Such projects continue to be sales hits this year. Songhu Country Garden in Dongguan, with Shenzhen as its target market, recorded a transaction of RMB2.5 billion on its launch on 26 March, and has achieved contracted sales of RMB3.23 billion as of 31 May.

The successful judgement of project launch timetable and timely introduction of favorable products are also favorable factors to promote business growth. The Group launched a total of 11 projects nationwide during the May Day Holiday (from 30 April to 2 May) with a total salable resources of RMB8.95 billion. On top of the new launch of existing projects with a total salable resources of RMB4.85 billion, the Group launched RMB13.80 billion new salable resources in total during the May Day Holiday. During the May Day Holiday, the Group together with its joint ventures and associates, achieved a subscription sales of RMB16.01 billion. In May 2016, the Group achieved contracted sales of approximately RMB30.58 billion, representing a year-on-year increase of 143% and a month-on-month increase of 39%. The sales in May has contributed to the Group's achievement of generating RMB100 billion in contracted sales.

Robust execution, operation and marketing capabilities are key to ensure sell-through rate of new salable resources and at the same time continuously clearing existing salable resources. For the first five months of 2016, the Group's new salable resources reached RMB85.63 billion and the Group has achieved contracted sales of RMB95.50 billion with significant growth of 159% year-on-year in the first five months of 2016.

The Group's partnership scheme has served as a powerful motivation for its business growth. As of the end of April 2016, the scheme had been introduced to 260 projects, among which 109 projects were on sale, accounting for contracted sales of RMB68.0 billion since its introduction in October 2014, and a projected net profit margin of approximately 13%. The partnership scheme successfully aligns the interests of the professional managers with those of the Company, lowers the Company's investment risk and has enhanced the Company's profitability and operational efficiency.

Country Garden will continue to adhere to its prudent financial management principles, implement sound financing arrangement, optimize the Group's land bank, maximize its advantages under the partnership scheme, and actively grasp market opportunities of nationwide urbanization and favorable government policies to create greater values for the capital market, customers and the society.

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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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