COUNTRY GARDEN HOLDINGS COMPANY LIMITED

碧 桂 園 控 股 有 限 公 司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 2007)

ANNOUNCEMENT OF INTERIM RESULTS FOR THE SIX MONTHS ENDED 30 JUNE 2008

HIGHLIGHTS

- Total revenue for the six months ended 30 June 2008 amounted to RMB7,438.1 million, an increase of 23.3% compared with the corresponding period in 2007.

- Gross profit margin (after land appreciation tax provision) for the period was 43.6%, an increase from 37.8% for the corresponding period in 2007.

- Profit attributable to equity owners amounted to RMB1,015.8 million, a decrease of 28.5% compared with the corresponding period in 2007.

- Net profit margin for the period was 13.7%, a decrease of 9.9 percentage points compared with 23.6% for the corresponding period in 2007.

- Excluding the fair value loss of approximately RMB442.8 million on derivative financial instruments in the first half of 2008 and the interest income approximately RMB270.0 million of subscription monies from initial public offering in the first half of 2007, profit attributable to the equity owners for the first half of 2008 increased by 26.8% to RMB1,458.5 million from the corresponding period in 2007 and net profit margin was 19.6%, an increase from 19.1% for the corresponding period in 2007.

- The directors do not recommend an interim dividend for the six months ended 30 June 2008.

INTERIM RESULTS

The Board of Directors (the "Board") of Country Garden Holdings Company Limited (the "Company") is pleased to announce the unaudited consolidated results of the Company and its subsidiaries (collectively the "Group") for the six months ended 30 June 2008 together with the comparative figures for the corresponding previous period.

Consolidated Balance Sheet

(All amounts in RMB thousands unless otherwise stated)

	Note	**Unaudited 30 June 2008**	Audited 31 December 2007
ASSETS			
Non-current assets			
Property, plant and equipment		**2,098,596**	1,621,654
Investment property		**142,538**	—
Intangible assets		**8,829**	4,083
Land use rights		**8,025,365**	8,196,080
Available-for-sale financial assets		**29,999**	20,000
Properties under development		**3,443,124**	3,690,575
Deferred income tax assets		**806,723**	556,112
		14,555,174	14,088,504
Current assets			
Land use rights		**5,238,834**	1,914,099
Properties under development		**9,866,982**	5,382,650
Completed properties held for sale		**1,560,129**	1,636,368
Inventories		**185,749**	102,787
Trade and other receivables	3	**3,645,084**	5,262,929
Prepaid taxes		**1,432,480**	749,743
Restricted cash		**2,911,952**	1,013,515
Cash and cash equivalents		**4,026,375**	8,483,420
		28,867,585	24,545,511
Total assets		**43,422,759**	38,634,015

	Note	Unaudited 30 June 2008	Audited 31 December 2007
EQUITY			
Capital and reserves attributable to the equity owners			
Capital	4	**14,701,189**	14,989,639
Reserves		**703,606**	278,785
Retained earnings			
— proposed final dividend		**—**	1,557,472
— others		**3,348,125**	2,332,356
		18,752,920	19,158,252
Minority interests		**293,310**	240,868
Total equity		**19,046,230**	19,399,120
LIABILITIES			
Non-current liabilities			
Borrowings		**4,712,854**	4,227,400
Convertible bonds	5	**3,897,760**	—
Derivative financial instruments	6	**442,755**	—
Deferred income tax liabilities		**223,201**	166,787
		9,276,570	4,394,187
Current liabilities			
Advanced proceeds received from customers		**7,383,639**	7,168,686
Trade and other payables	7	**2,901,915**	2,619,771
Income tax payable		**2,927,605**	2,287,881
Borrowings		**1,886,800**	2,764,370
		15,099,959	14,840,708
Total liabilities		**24,376,529**	19,234,895
Total equity and liabilities		**43,422,759**	38,634,015
Net current assets		**13,767,626**	9,704,803
Total assets less current liabilities		**28,322,800**	23,793,307

Consolidated Income Statement
(All amounts in RMB thousands unless otherwise stated)

		Unaudited	
		Six months ended 30 June	
	Note	**2008**	2007
Revenue	8	**7,438,138**	6,033,798
Cost of sales		**(3,530,914)**	(3,414,450)
Gross profit		**3,907,224**	2,619,348
Other gains — net	9	**38,933**	19,628
Selling and marketing costs		**(218,599)**	(157,559)
Administrative expenses		**(556,603)**	(301,656)
Operating profit		**3,170,955**	2,179,761
Finance income		**39,176**	355,250
Finance costs		**(593,285)**	(315,750)
Finance (costs)/income — net	10	**(554,109)**	39,500
Fair value changes on derivative financial instruments	6	**(442,755)**	—
Profit before income tax		**2,174,091**	2,219,261
Income tax expenses	11	**(1,108,130)**	(776,088)
Profit for the period		**1,065,961**	1,443,173
Attributable to:			
Equity owners		**1,015,769**	1,421,048
Minority interests		**50,192**	22,125
		1,065,961	1,443,173
Earnings per share (RMB cents)			
Basic and diluted	12	**6.22**	9.68
Dividends	13	**—**	512,554

Notes:
(All amounts in RMB thousands unless otherwise stated)

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. The Group is principally engaged in the property development, construction, fitting and decoration, property management and hotel operation.

In preparation for the Company's listing on the Main Board of The Stock Exchange of Hong Kong Limited, the Company and its subsidiaries underwent the reorganisation (the "Reorganisation"), which was completed on 26 March 2007. Upon completion of the Reorganisation, the Company became the holding company of the Group. Details of the Reorganisation were disclosed in note 1 of the Company's 2006 annual report dated 20 April 2007.

The Company's shares were listed on 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 12 August 2008.

2. BASIS OF PREPARATION AND ACCOUNTING POLICIES

2.1 Basis of preparation

This interim financial information for the six months ended 30 June 2008 has been prepared in accordance with Hong Kong Accounting Standards ("HKAS") 34, 'Interim Financial Reporting'. The interim financial report should be read in conjunction with the audited financial statements for the year ended 31 December 2007, which have been prepared in accordance with Hong Kong Financial Reporting Standards ("HKFRS") issued by the HKICPA.

2.2 Accounting Policies

Except as described below, the accounting policies adopted are consistent with those of the annual financial statements for the year ended 31 December 2007, as described in those audited 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.

(a) Convertible bonds

Convertible bonds that can be converted to equity share capital at the option of the holders, where the number of shares that would be issued on conversion and the value of the consideration that would be received do not vary, are accounted for as compound financial instruments which contain both a liability component and an equity component.

At initial recognition, the liability component of the convertible bonds is determined using a market interest rate for an equivalent non-convertible bond. The remainder of the proceeds is allocated to the conversion option as equity component. Transaction costs that relate to the issue of a compound financial instrument are allocated to the liability and equity components in proportion to the allocation of proceeds.

The liability component is subsequently carried at amortised cost, calculated using the effective interest method, until extinguished on conversion or maturity. The equity component is recognised in equity, net of any tax effects.

When the bond is converted, the relevant equity component and the carrying amount of the liability component at the time of conversion are transferred to share capital and share premium for the shares issued. When the bond is redeemed, the relevant equity component is transferred to retained earnings.

(b) Investment property

Property that is held for long-term rental yields, and that is not occupied by the Group, is classified as investment property. Land held under operating leases is classified and accounted for as investment property when the rest of the definition of investment property is met.

Investment property is measured initially at its cost, including related transaction costs. Subsequent expenditure is charged to the carrying amount of the asset only when it is probable that future economic benefits associated with the asset will flow to the Group and the cost of the asset can be measured reliably. All other repairs and maintenance costs are expensed in the consolidated income statement during the financial period in which they are incurred.

Investment properties are stated at historical cost less accumulated depreciation and impairment loss, if any. It is depreciated using the straight line method over its estimated useful life of 20 years.

Property that is being constructed or developed for future use as investment property is classified as investment properties and carried at cost.

(c) Derivative financial instruments

Derivatives are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently remeasured at their fair value. Fair values are obtained from quoted market prices in active markets, including recent market transactions, and valuation techniques, including discounted cash flow models and options pricing models, as appropriate. All derivatives are carried as assets when fair value is positive and as liabilities when fair value is negative.

Certain derivative instruments do not qualify for hedge accounting. Changes in the fair value of any derivative instrument that does not qualify for hedge accounting are recognised immediately in the income statement.

2.3 Standards, amendments and interpretations effective in 2008

The following new standards, amendments to standards or interpretations are mandatory for the first time for the financial year beginning 1 January 2008 but are not relevant to the operation of the Group.

- HK(IFRIC)-Int 11, 'HKFRS 2 — Group and treasury share transactions'
- HK(IFRIC)-Int 12, 'Service concession arrangements'
- HK(IFRIC)-Int 14, 'HKAS 19 — the limit on a defined benefit asset, minimum funding requirements and their interaction'

2.4 Standards, amendments and interpretations that are not effective and not relevant

The following new standards, amendments to standards and interpretations have been issued but are not effective for the financial year beginning 1 January 2008 and have not been early adopted:

- HKFRS 8, 'Operating segments'.
- HKAS 23 (amendment), 'borrowing costs'.
- HKFRS 2 (amendment), 'Share-based payment'.
- HKFRS 3 (amendment), 'Business combinations' and consequential amendments to HKAS 27, 'Consolidated and separate financial statements', HKAS 28, 'Investments in associates' and HKAS 31, 'Interests in joint ventures'.
- HKAS 1 (amendment), 'Presentation of financial statements'.
- HKAS 32 (amendment), 'Financial instruments: presentation'.
- HK(IFRIC)-Int 13, 'Customer loyalty programmers'.

The effect of the adoption of HKFRS 3 (revised) is being assessed by the management while the adoption of the other new standards, amendments to standards and interpretations listed above in future periods is not expected to result in material impact.

3. TRADE AND OTHER RECEIVABLES

	Unaudited	**Audited**
	30 June	31 December
	2008	2007
Trade receivables *(note a)*:		
Third parties	**306,653**	154,680
Other receivables:	**972,791**	902,831
Related parties	**275,250**	275,250
Third parties *(note b)*	**700,498**	630,538
Provision for impairment of receivables	**(2,957)**	(2,957)
Amounts due from customers for contract work *(note c)*	**262,746**	61,301
Prepayments — third parties *(note d)*	**2,102,894**	4,144,117
	3,645,084	5,262,929

As at 30 June 2008, the fair value of trade and other receivables approximated their carrying amounts.

Notes:

(a) Trade receivables are mainly arisen from rendering of construction services and sales of properties. Customers are generally granted credit terms of 1 to 3 months for construction business and no credit terms for property development business. The ageing analysis of trade receivables was as follows:

	Unaudited 30 June 2008	Audited 31 December 2007
Within 90 days	**201,818**	136,547
Over 90 days and within 180 days	**84,673**	4,797
Over 180 days and within 365 days	**12,888**	9,400
Over 365 days	**7,274**	3,936
	306,653	154,680

(b) Other receivables mainly related to the auction deposit in respect of application of the land use rights at land auctions conducted by the People's Republic of China (the "PRC") government.

(c) Amounts due from customers for contract work at the balance sheet date were as follows:

	Unaudited 30 June 2008	Audited 31 December 2007
Cost incurred	**2,969,575**	3,123,809
Recognised profits (less recognised losses)	**650,216**	1,393,360
	3,619,791	4,517,169
Less: progress billings	**(3,357,045)**	(4,455,868)
	262,746	61,301
Represented by:		
Amounts due from customers	**262,746**	61,301
Including: Related companies	**223,523**	19,319
Third parties	**39,223**	41,982

(d) Prepayment are mainly in respect of acquisition of land use rights of RMB1,565 million (audited 31 December 2007: RMB3,384 million) upon successfully bidding at the land auctions conducted by the PRC government, and that the land use right of the respective prepayment was not obtained at 30 June 2008.

4. CAPITAL

	Note	Number of ordinary shares	Nominal value of ordinary shares (HK$'000)	Equivalent Nominal value of ordinary shares	Share premium	Treasury shares	Total
Authorised							
Ordinary share of HK$0.10 each upon incorporation		3,800,000	380	384	—	—	384
Increase in authorised share capital		99,996,200,000	9,999,620	9,904,624	—	—	9,904,624
		100,000,000,000	10,000,000	9,905,008	—	—	9,905,008
Issued and fully paid							
Opening balance at 1 January 2007		100	—	—	—	—	—
Issue of shares arising from Reorganisation		999,999,900	100,000	99,060	665,508	—	764,568
Capitalisation of share premium account		12,600,000,000	1,260,000	1,246,014	(1,246,014)	—	—
Issue of shares in connection with the listing		2,760,000,000	276,000	272,699	14,398,496	—	14,671,195
Listing expenses		—	—	—	(446,124)	—	(446,124)
Closing balance at 30 June 2007		16,360,000,000	1,636,000	1,617,773	13,371,866	—	14,989,639
Opening balance at 1 January 2008		16,360,000,000	1,636,000	1,617,773	13,371,866	—	14,989,639
Treasury shares purchased	(a)	(49,386,000)	—	—	—	(288,450)	(288,450)
Closing balance at 30 June 2008		16,310,614,000	1,636,000	1,617,773	13,371,866	(288,450)	14,701,189

Note:

(a) During the period, the Group, through its wholly owned subsidiary, has acquired 49,386,000 of the Company's shares from the market for the purpose of employee incentive plan, which was not effective at 30 June 2008. The total amount paid to acquire the shares was RMB288,450,000. The shares are held as treasury shares and has been deducted from shareholders' equity.

5. CONVERTIBLE BONDS

On 22 February 2008, the Company issued a RMB denominated USD settled 2.5% convertible bond, of an initial principal amount of US$500 million (equivalent to approximately RMB3,595 million). On 3 March 2008, due to over subscription of the convertible bonds, the principal amount of the convertible bonds increased to US$600 million (equivalent to approximately RMB4,314.0 million). The aggregate amount of RMB4,314.0 million, at the option of bond holders, 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 RMB3,781.3 million and the equity conversion component RMB424.8 million, net of transaction cost of RMB107.9 million, were determined at issuance of the bond. 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 convertible bonds reserve included in other reserves.

The convertible bonds recognised in the balance sheet are calculated as follows:

Face value of the convertible bonds issued on 22 February 2008	4,314,000
Equity component	(424,821)
Transaction costs	(107,850)
Liability component on initial recognition at 22 February 2008	3,781,329
Interest expenses	116,431
Liability component at 30 June 2008	3,897,760

Interest expenses on the liability component of the convertible bonds 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 2008, there was no conversion or redemption of the convertible bonds.

6. DERIVATIVE FINANCIAL INSTRUMENTS

Concurrently with the issuance of the RMB denominated USD settle 2.5% convertible bonds as disclosed in note 5, 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) on 22 February 2008. Under the Equity Swap, the Company receives a payment if the Final Price is higher than the Initial Price and the Equity Swap Counterparty 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. Besides, the Equity Swap will be settled on Termination date subject to options Early Termination Event.

Capitalised items contained in this note were defined in the Company's announcement dated 17 February 2008.

7. TRADE AND OTHER PAYABLES

	Unaudited 30 June 2008	Audited 31 December 2007
Trade payables *(note a)*:	**1,802,536**	1,645,848
Related parties	**98,422**	51,926
Third parties	**1,704,114**	1,593,922
Other payables:	**492,062**	339,931
Related parties	**23,101**	—
Third parties	**468,961**	339,931
Staff welfare benefit payable	**278,108**	238,701
Accrued expenses	**110,708**	112,691
Other taxes payable	**218,501**	282,600
	2,901,915	2,619,771

Note:

(a) The ageing analysis of trade payables at the balance sheet dates were as follows:

	Unaudited 30 June 2008	Audited 31 December 2007
Within 90 days	**1,478,468**	1,588,527
Over 90 days and within 180 days	**233,283**	32,547
Over 180 days and within 365 days	**68,740**	6,645
Over 365 days	**22,045**	18,129
	1,802,536	1,645,848

8. REVENUE AND SEGMENT INFORMATION

The Group is principally engaged in the property development, construction, fitting and decoration, property management and hotel operation. As less than 10% of the Group's consolidated turnover and results are attributable to the market outside the PRC and less than 10% of the Group's consolidated assets are located outside the PRC, no geographical segment data is presented.

Revenue consists of the following:

	Unaudited Six months ended 30 June	
	2008	2007
Sales of properties	**6,932,444**	5,447,687
Rendering of construction services	**228,361**	369,067
Rendering of hotel services	**124,989**	99,802
Rendering of property management services	**140,849**	105,449
Rendering of decoration services	**11,495**	11,793
	7,438,138	6,033,798

The unaudited segment results for the six months ended 30 June 2008 are as follows:

	Property development	Construction, fitting and decoration	Property management	Hotel	Elimination	Group
Gross segment revenue	**6,932,444**	**4,558,599**	**146,882**	**129,164**	**—**	**11,767,089**
Inter-segment revenue	**—**	**(4,318,743)**	**(6,033)**	**(4,175)**	**—**	**(4,328,951)**
Revenue	**6,932,444**	**239,856**	**140,849**	**124,989**	**—**	**7,438,138**
Segment result	**2,727,960**	**1,129,632**	**12,396**	**(51,670)**	**(647,363)**	**3,170,955**
Fair value changes on derivative financial instruments						**(442,755)**
Finance costs — net						**(554,109)**
Profit before income tax						**2,174,091**
Income tax expenses						**(1,108,130)**
Profit for the period						**1,065,961**

The unaudited segment results for the six months ended 30 June 2007 are as follows:

	Property development	Construction, fitting and decoration	Property management	Hotel	Elimination	Group
Gross segment revenue	5,447,687	2,561,220	114,108	102,790	—	8,225,805
Inter-segment revenue	—	(2,180,360)	(8,659)	(2,988)	—	(2,192,007)
Revenue	5,447,687	380,860	105,449	99,802	—	6,033,798
Segment result	1,887,725	574,650	9,329	8,943	(300,886)	2,179,761
Finance income — net						39,500
Profit before income tax						2,219,261
Income tax expenses						(776,088)
Profit for the period						1,443,173

Inter-segment transfers or transactions are entered into under the terms and conditions agreed by both parties.

Other unaudited segment items including in the consolidated income statement and capital expenditure are as follows:

Six months ended 30 June 2008

	Property development	Construction, fitting and decoration	Property management	Hotel	Elimination	Group
Depreciation	**34,078**	**12,249**	**3,252**	**43,242**	**(4,388)**	**88,433**
Amortisation of land use right and intangible assets	**60,965**	**—**	**—**	**14,380**	**—**	**75,345**
Capital expenditure	**382,690**	**33,291**	**4,356**	**377,836**	**(89,848)**	**708,325**

Six months ended 30 June 2007

	Property development	Construction, fitting and decoration	Property management	Hotel	Elimination	Group
Depreciation	12,459	12,166	3,989	27,462	(3,426)	52,650
Amortisation of land use right	23,766	477	—	1,108	—	25,351
Capital expenditure	133,964	22,325	5,823	168,172	(35,944)	294,340

The unaudited segment assets and liabilities at 30 June 2008 are as follows:

	Property development	Construction, fitting and decoration	Property management	Hotel	Elimination	Group
Segment assets	**37,079,263**	**6,723,879**	**154,021**	**4,048,736**	**(5,389,863)**	**42,616,036**
Unallocated assets						**806,723**
Total assets						**43,422,759**
Segment liabilities	**10,249,793**	**5,496,839**	**98,689**	**1,528,795**	**(5,370,804)**	**12,003,312**
Unallocated liabilities						**12,373,217**
Total liabilities						**24,376,529**

The audited segment assets and liabilities at 31 December 2007 are as follows:

	Property development	Construction, fitting and decoration	Property management	Hotel	Elimination	Group
Segment assets	36,021,313	3,047,340	164,414	1,876,542	(3,031,706)	38,077,903
Unallocated assets						556,112
Total assets						38,634,015
Segment liabilities	10,506,305	499,876	108,423	1,210,007	(2,536,154)	9,788,457
Unallocated liabilities						9,446,438
Total liabilities						19,234,895

Segment assets consist primarily of property, plant and equipment, intangible assets, investment property, land use rights, properties under development, completed properties held for sale, inventories, receivables and operating cash. They exclude deferred income tax assets.

Segment liabilities consist primarily of operating liabilities. They exclude deferred income tax liabilities, income tax payable, borrowings and derivative financial instruments.

Capital expenditure comprises additions to property, plant and equipment, including additions resulting from acquisitions through business combinations and intangible assets.

9. OTHER GAINS — NET

	Unaudited Six months ended 30 June	
	2008	2007
Forfeiture income	**3,489**	1,472
(Loss)/gains on disposals of property, plant and equipment	**(272)**	1,362
Return from equity swap *(note below)*	**27,006**	—
Others	**8,710**	16,794
	38,933	19,628

Note:

According to the Equity Swap entered into with Merrill Lynch International (note 6), Merrill Lynch International paid the Company an amount equal to the number of shares under Equity Swap multiplied by the 2007 final dividend per Company's share. This amount is accounted for as a return of the Equity Swap upon the entitlement of the Company's dividend.

10. FINANCE COSTS/(INCOME) — NET

	Unaudited Six months ended 30 June 2008	2007
Interest expense:		
— bank borrowings wholly repayable within five years	**349,835**	148,723
Net foreign exchange loss on financing activities	**243,450**	167,027
Total finance costs	**593,285**	315,750
Less: Bank interest income from bank deposits *(note below)*	**(39,176)**	(355,250)
	554,109	(39,500)

Note: Interest income from bank deposits for the six months ended 30 June 2007 includes interest from subscription monies received from the Global Offering.

11. INCOME TAX EXPENSES

	Unaudited Six months ended 30 June 2008	2007
Current income tax		
— PRC enterprise income tax *(note a)*	**637,153**	352,223
— Hong Kong profits tax	**—**	—
— Land appreciation tax *(note b)*	**665,174**	340,284
Deferred income tax	**(194,197)**	83,581
	1,108,130	776,088

(a) PRC enterprise income tax is provided at the rate of 25% (2007: 33%) 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.

No Hong Kong profits tax was provided for the six months ended 30 June 2008 as the Group did not have any assessable profit (2007: Nil).

Pursuant to the PRC enterprise income tax law passed by the Tenth National People's Congress on 16 March 2007, the new enterprise income tax rates for domestic and foreign enterprises are unified at 25% effective from 1 January 2008. As a result, the enterprise income tax rate of all the subsidiaries of the Company incorporated in the PRC, except for the Giant Leap Construction Co., has changed from 33% to 25% with effect from 1 January 2008.

Regarding Giant Leap Construction Co., as approved by the local tax authority in August 2006, its enterprise income tax rate was changed from 33% to 24% and started to enjoy a tax holiday of "two years exemption and followed by three years of a 50% tax reduction" from the year of 2006. The preferential tax rate adopted by Giant Leap Construction Co., will also be gradually transited to the unified tax rate of 25% over a five-year transitional period. In light of the clarification for the transition to the new tax rate issued by the State Administration of Taxation issued on 6 December 2007, the Group estimated that the preferential tax rate adopted by Giant Leap Construction Co. will be expired at the shorter of the existing preferential tax period and the five-year transitional period. The change in the carrying amount of the deferred tax assets and liabilities, as a result of the change in tax rate, has been reflected in the interim financial statements of the Group for the period ended 30 June 2008.

Furthermore, unlike the Income Tax Law of the People's Republic of China for Foreign-invested Enterprises and Foreign Enterprises, which specifically exempted withholding tax on any dividends payable to non-PRC enterprise investors, the PRC Enterprise Income Tax Law provides that an income tax rate of 20% will normally be applicable to dividends payable to non-PRC enterprise investors which are derived from sources within the PRC, unless there exists a tax treaty between the PRC and the relevant jurisdictions in which such non-PRC enterprise shareholders reside whereupon the relevant tax may be reduced or exempted. In accordance with the PRC Enterprise Income Tax Law and the "Implementation Rules of the People's Republic of China on the Enterprise Income Tax Law" promulgated by the State Council on 6 December 2007 and effective 1 January 2008, a reduced income tax rate of 10% shall be applicable to any dividends payable to non-PRC enterprise investors from foreign invested enterprises.

(b) PRC land appreciation tax

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.

12. EARNINGS PER SHARES

Earnings per share attributable to equity holders of the Company as follows:

(a) Basic

Basic earnings per share is calculated by dividing the profit attributable to equity holders of the Company by the weighted average number of ordinary shares in issue during the year, excluding ordinary shares purchased by the Company and held as treasury shares (note 4a).

	Unaudited Six months ended 30 June	
	2008	2007
	(RMB cents per share)	
Profit attributable to equity holders of the Company		
— Basic	**6.22**	9.68

(b) Diluted

Diluted earnings per share equals to basic earnings per share because there were no potential dilutive ordinary shares outstanding during the period ended 30 June 2008.

The computation of diluted earnings per share for the six months ended 30 June 2008 does not assume the conversion of the Company's outstanding Convertible Bonds (note 5) since their exercise would result in an increase in earning per share.

13. DIVIDENDS

	Unaudited Six months ended 30 June	
	2008	2007
Dividend declared by the subsidiaries to their then shareholders *(note a)*	**—**	512,554

Notes:

(a) Dividends were paid by the subsidiaries of the Group to their then shareholders prior to the Reorganisation.

(b) A final dividend in respect of 2007 of RMB9.52 cents per share, amounting to total dividends of approximately RMB1,557,472,000 has been declared in the Annual General Meeting on 17 April 2008.

(c) The directors do not recommend an interim dividend for the six months ended 30 June 2008.

14. COMMITMENTS

(a) Commitments for capital and property development expenditures

	Unaudited 30 June 2008	Audited 31 December 2007
Contracted but not provided for		
Property, plant and equipment	**7,663**	1,627
Property development expenditure	**5,638,266**	2,807,222
	5,645,929	2,808,849

15. PRESENTATION OF LAND APPRECIATION TAX AND RECLASSIFICATION OF COMPARATIVE FIGURES

Within the comparative figures stated in the consolidated financial statements, land appreciation tax expenses of RMB340,284,000 previously included in cost of sales for the year ended 30 June 2007 was reclassified as income tax expenses in the consolidated income statement, and provision for land appreciation tax of RMB1,595,738,000 previously included in other payable as at 31 December 2007 was reclassified as income tax payable in the consolidated balance sheet. Respective items in the consolidated cashflow statements have been also revised accordingly. Land appreciation tax expenses for the year ended 30 June 2008 of RMB665,174,000 and provision for land appreciation tax of RMB2,160,514,000 as at 30 June 2008 were classified as income tax expenses and income tax payable respectively.

The above reclassification are made so as to conform to current year presentation, as the Company's directors are of the view that it would be more appropriate to reflect the land appreciation tax as income tax expense in the current period and the outstanding provision as income tax payable, after a reassessment of the nature of the land appreciation tax and a study of the market practices.

MANAGEMENT DISCUSSION AND ANALYSIS

Summary

(RMB million)	Six months ended 30 June 2008	2007
Revenue	**7,438**	6,034
Gross Profit	**3,907**	2,619
Operating Profit	**3,531**	3,415
LAT provision	**665**	340
Profit attributable to equity owners, including:	**1,016**	1,421
Fair value changes on derivative financial instruments	**443**	–
interest income from oversubscription of IPO	**–**	(270)
Profit attributable to the equity owners (adjusted)	**1,459**	1,151
Gross profit margin (after LAT)	**43.6%**	37.8%
Net profit margin (adjusted)	**19.6%**	19.1%

Business Overview

Property Development

As at 30 June 2008, the Group had 51 projects at various stages of development. Twenty-six of the projects are located in Guangdong Province including eight in Guangzhou city, five in Foshan city, five in Jiangmen city, one in Yangjiang city, three in Shaoguan city, two in Zhaoqing city, one in Shanwei city and one in Huizhou city. Another twenty-five projects are located in other provinces including three in Changsha City and one in Yiyang City in Hunan Province, one in Hulunbei'er City, one in Xing'an Meng and one in Tongliao City in Inner Mongolia, one in Taizhou in Jiangsu Province, four in Shenyang City and one in Anshan City in Liaoning Province, one in Wuhan City, two in Xianning city and one in Suizhou City in Hubei Province, three in Chaohu City, one in Huangshan City, one in Anqing City, one in Chizhou City and one in Wuhu City in Anhui Province and one in Chongqing Municipality.

As at 30 June 2008, the Group's 51 projects had an aggregate completed GFA of 9,697,059 sq.m., on which it had built 51,791 units to house an estimated approximately 207,000 people, an aggregate GFA under development of 15,309,752 sq.m. and an aggregate GFA of 30,703,112 sq.m. relating to the 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 at 30 June 2008, the Group had 16,810 staff working for its forty-two 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.

Hotels Operation

The hotels that the Group has developed and currently operates include two five-star and one four-star hotel, as well as five hotels that we have developed in accordance with the five-star standard of the "Star-Rating Standard for Tourist Hotel". In addition, the Group has nine hotels that are under construction in accordance with the five-star standard of the "Star-Rating Standard for Tourist Hotels".

Financial Review

Revenue

Revenue of the Group comprises primarily the proceeds from the sale of properties or provision of services after the elimination of transactions between the companies now comprising the Group. The revenue is primarily generated from its four business segments: property development, construction and decoration, property management and hotel operation. The revenue increased by 23.3% to approximately RMB7,438.1 million in the first half of 2008 from approximately RMB6,033.8 million for the corresponding period in 2007, primarily attributable to the increase in sales of property. The revenues generated from property development, construction and decoration, property management and hotel operation are RMB6,932.4 million, RMB239.9 million, RMB140.8 million and RMB125.0 million respectively.

Property development

Revenue generated from property development increased by 27.3% to approximately RMB6,932.4 million for the six months ended 30 June 2008 from approximately RMB5,447.7 million for the corresponding period in 2007, primarily attributable to a 7.5% decrease in total gross floor area ("GFA") sold to 865,360 sq.m. in the first half of 2008 from 935,342 sq.m. for the corresponding period in 2007. The recognised average selling price of property increased to RMB8,012 per sq.m. in the first half of 2008 from RMB5,824 per sq.m. for the corresponding period in 2007.

Construction and decoration

Revenue generated from the construction and decoration decreased by 37.0% to approximately RMB239.9 million for the six months ended 30 June 2008 from approximately RMB380.9 million for the corresponding period in 2007, 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 the property management increased by 33.6% to approximately RMB140.8 million for the six months ended 30 June 2008 from approximately RMB105.4 million for the corresponding period in 2007, primarily attributable to an increase in the cumulative GFA under management resulting from the construction completion and delivery of properties such as Shunde Country Garden, Huanan Country Garden and Country Garden Phoenix City.

Hotel operation

Revenue generated from the hotel operation increased by 25.3% to approximately RMB125.0 million for the six months ended 30 June 2008 from approximately RMB99.8 million for the corresponding period in 2007, primarily attributable to the steady increase in revenues of Yangjiang Country Garden Phoenix Hotel, Changsha Venice Palace Hotel and Taishan Country Garden Phoenix Hotel, which were opened in May 2007, October 2007 and December 2007 respectively.

Cost of sales

Cost of sales of the Group represents primarily the costs we incur directly for our property development activities which include construction, decoration and design costs, land use rights cost and business taxes. Property developments require substantial capital investment for land acquisition and construction and may take several months or years before generating positive cash flows.

Cost of sales increased by 3.4% to approximately RMB3,530.9 million for the six months ended 30 June 2008 from approximately RMB3,414.5 million for the corresponding period in 2007. The increase in construction, decoration and design costs was in line with the increase in total sales of the properties.

Gross profit

Gross profit of the Group increased by 49.2% to approximately RMB3,907.2 million for the six months ended 30 June 2008 from approximately RMB2,619.3 million for the corresponding period in 2007. The gross margin for the first half of 2008 increased to 52.5% from 43.4% for the corresponding period in 2007, primarily attributable to the increase in the average selling price to RMB8,012 per sq.m. for the six months ended 30 June 2008 from RMB5,824 per sq.m. for the corresponding period in 2007.

Other gains — net

Other gains — net of the Group increased by 98.5% to approximately RMB38.9 million of gain for the six months ended 30 June 2008 from approximately RMB19.6 million of gain for the corresponding period in 2007, mainly attributable to the increase in the return from the equity swap.

Selling and marketing costs

Selling and marketing costs of the Group increased by 38.7% to approximately RMB218.6 million for the six months ended 30 June 2008 from approximately RMB157.6 million for the corresponding period in 2007, which is primarily attributable to heavy publicity of new properties for sale. Therefore, large amount of advertisement were put into the market and resulted in the increase in advertisement expenses by 14.1% to approximately RMB100.2 million for the six months ended 30 June 2008 from approximately RMB87.8 million for the corresponding period in 2007. In addition, pre-sale of new properties (e.g. Country Garden Phoenix City, Shunde Country Garden, Gaoming Country Garden and Shenyang Country Garden) in the first half of 2008 also gave rise to the higher selling and marketing costs for the period.

Administrative expenses

Administrative expenses of the Group increased by 84.5% to approximately RMB556.6 million for the six months ended 30 June 2008 from approximately RMB301.7 million for the corresponding period in 2007, primarily attributable to the recruitment of a large number of staff, which was to satisfy the requirement of rapid development of the Group during its listing and afterwards. Consequently, the salary increased substantially by 17.0% to approximately RMB153.3 million for the six months ended 30 June 2008 from approximately RMB131.0 million for the corresponding period in 2007. In addition, the Group donated totally RMB70.0 million to charities for Sichuan Earthquake Relief and other charities in 2008.

Finance (costs)/income — net

Net finance costs of the Group amounted to approximately RMB554.1 million for the six months ended 30 June 2008. This compares to net finance income of RMB39.5 million for the corresponding period in 2007. Interest income significantly decreased to approximately RMB39.2 million for the six months ended in 30 June 2008 from approximately RMB355.3 million for the corresponding period in 2007, which includes the interest income of approximately RMB270.0 million from the application monies of subscribing IPO shares of the Group in 2007.

Interest expenses increased to approximately RMB349.8 million for the six months ended 30 June 2008 from approximately RMB148.7 million for the corresponding period in 2007, mainly reflecting the increase in the total interest expenses resulting from several lifting of bank loan interest rates between 1 January 2007 and 30 June 2008. In addition, the Group issued a convertible bond of a principal amount of US$600.0 million (equivalent to approximately RMB4,314.0 million) in the first half of 2008.

The exchange losses increased to approximately RMB243.5 million for the six months ended 30 June 2008 from approximately RMB167.0 million for the corresponding period in 2007, primarily attributable to the rise of the exchange rate of RMB against HK dollar by 6.0% since 1 January 2008.

Fair value changes on derivative financial instruments

In 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 dated 17 February 2008) is higher than the Initial Price (as defined in the announcement dated 17 February 2008) and the Equity Swap Counterparty 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. Measured by the market price on 30 June 2008, the fair value change on the equity swap reduced the profit for the period by approximately RMB442.8 million.

Profit attributable to the equity owners

Profit attributable to the equity owners for the six months ended 30 June 2008 of the Group decreased by 28.5% to approximately RMB1,015.8 million from approximately RMB1,421.0 million for the corresponding period in 2007. Net margin reduced to 13.7% for the six months ended 30 June 2008 from 23.6% for the corresponding period in 2007, primarily attributable to the interest income approximately RMB270.0 million of subscription monies from initial public offering in the first half of 2007 and the fair value loss of approximately RMB442.8 million on derivative financial instruments in the first half of 2008. The profit attributable to the equity owners increased by 26.8% without the effects described above.

LIQUIDITY, FINANCIAL AND CAPITAL RESOURCES

Cash position

The Group's cash and bank deposits (including the restricted cash) amounted to approximately RMB6,938.3 million as at 30 June 2008 (31 December 2007: RMB9,496.9 million). As at 30 June 2008, 62.2% and 37.8% of the Group's cash and bank deposits were denominated in Renminbi, and other currencies (mainly US dollars and HK dollars) respectively (31 December 2007: 63.0% and 37.0%).

As at 30 June 2008, the carrying amount of the restricted cash was approximately RMB2,912.0 million (31 December 2007: RMB1,013.5 million). Pursuant to relevant regulations, certain of the project companies are required to deposit a portion of proceeds from pre-sales of properties into the special bank accounts. Before the completion of the pre-sold properties, the proceeds deposited in the escrow accounts may 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. In addition, the Group has provided US$250 million (equivalent to approximately RMB1,714.8 million) as collateral for an equity swap transaction entered in February 2008 with Merrill Lynch International.

Net current assets and current ratio

The Group had net current assets of approximately RMB13,767.6 million as at 30 June 2008 (31 December 2007: RMB9,704.8 million). The current ratio being current assets over current liabilities, increased to approximately 1.9 as at 30 June 2008 from approximately 1.7 as at 31 December 2007.

Borrowings and charges on group assets

The Group had an aggregated borrowings as at 30 June 2008 of approximately RMB6,599.7 million, of which approximately RMB1,886.8 million will be repayable within 1 year, approximately RMB4,712.9 million will be repayable between 2 and 5 years. As at 30 June 2008, the substantial part of the bank borrowings were secured by land use rights and properties of the Group and guaranteed by companies of the Group.

Gearing ratio

The gearing ratio is measured by the net borrowings (total borrowings net of cash and cash equivalent and restricted cash) over the total capital and reserves attributable to equity owners. As at 30 June 2008, the gearing ratio was 19.0% (31 December 2007: –13.1%).

Interest rate risk

The weighted average interest rate of the Group's bank borrowing increased to 7.1% for the six months ended 30 June 2008 from 6.8% for the corresponding period in 2007. 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.

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 2008, the exchange rates of Renminbi to Hong Kong dollars and US dollars kept on increasing. Though the Group had progressively remitted the financing proceeds from abroad to China and converted them into Renminbi shortly after remittance, there was still an exchange loss of RMB243.5 million incurred for the period ended 30 June 2008. It was mainly due to the unexpected longer period for exchange process resulting from tightening foreign exchange policies in China.

Land appreciation tax

The State Administration of Taxation ("SAT") of the PRC issued Guoshuifa 2004 No. 938 dated 2 August 2004, announcing its intention to strengthen the collection of land appreciation tax ("LAT") on property developers. The SAT of the PRC also issued Guoshuifa 2006 No. 187 dated 28 December 2006, which became effective from 1 February 2007, announcing its intention to strengthen the mechanism for collection of LAT on property developers, and authorizing the local tax bureau to issue detailed implementation rules and procedures appropriate to local environments. In the past, the Group has made full provision of LAT but paid provisional LAT calculated according to certain rates (varying from 0.5% to 3%) over sales amounts assessed by local tax bureau. For the six months ended 30 June 2008, the Group had LAT expenses of approximately RMB665.2 million. As at 30 June 2008, the Group had LAT provision balance of RMB2,160.5 million.

Contingent liability

As at 30 June 2008, the Group had the following contingent liabilities relating to guarantees in respect of mortgage facilities for certain purchasers amounting to approximately RMB9,901.1 million (31 December 2007: approximately RMB9,637.3 million).

This 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. Of the amounts as at 30 June 2008, approximately RMB419.2 million (31 December 2007: approximately RMB537.1 million) was to be discharged two years from the day the mortgaged loans become due; and approximately RMB9,481.9 million (31 December 2007: approximately RMB9,100.2 million) 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.

Capital and property development commitments

As at 30 June 2008, the capital commitments in connection with the property development activities amounted to approximately RMB5,645.9 million (31 December 2007: approximately RMB2,808.8 million). This amount is primarily arising 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.

Acquisition of subsidiaries

In April 2008, the Group acquired effectively 100% equity interest of Guangdong Guosheng Construction Monitoring Co., Ltd.（廣東國晟建設監理有限公司）for a total cash consideration of RMB2,340,000 and 100% equity interest of Yangjiang Shun'an Construction Co., Ltd.（陽江市順

安建築工程有限公司）currently named as Guangdong GuoLiang Construction Co., Ltd.（廣東國良建築工程有限公司）for a total cash consideration of RMB10,000,000.

The acquisitions were made in order to increase the construction quality and capacity.

Employees and Remuneration Policy

As at 30 June 2008, the Group had 30,621 full-time employees, which had increased by 2,782 (or 10%), from 27,839 as at 31 December 2007. The recruitment of a large number of new staff was to satisfy the requirement of rapid development of the Company after its listing. 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 announcement of interim results, no significant labor disputes which adversely affect or likely to have an adverse effect on the operations of the business occurred.

Business Development and Prospect

As at 30 June 2008, the Group had 51 projects with an aggregate completed GFA of 9,697,059 sq.m., on which it had built 51,791 units to house an estimated 207,000 people, an aggregate GFA under development of 15,309,752 sq.m., and an aggregate GFA of 30,703,112 sq.m. relating to properties held for future development.

The Company is currently expanding further into other parts of the country. Apart from Guangdong Province, the Group has many projects located in Anhui Province, Jiangsu Province, Hunan Province and Hubei Province for sales in the market. Looking ahead, by leveraging on the strong capital base, wide brand recognition and unique business model, the Group will not only focus in Guangdong Province, but also further expand the business outside Guangdong Province. With the increase in land bank, the Group will continue to grow stably in its development going forward.

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.

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 2008. In addition, the independent auditor of the Company, PricewaterhouseCoopers, has reviewed the unaudited interim results for the six months ended 30 June 2008 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.

COMPLIANCE WITH THE MODEL CODE OF THE LISTING RULES

The Company has adopted the Model Code as the code for dealing in securities of the Company by the Directors. Specific confirmation has been obtained from all Directors to confirm compliance with the required standard set out in the Model Code for six months ended 30 June 2008. No incident of non-compliance was noted by the Company to date in 2008. 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 for six months ended 30 June 2008.

CODE ON CORPORATE GOVERNANCE PRACTICES

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.

The Company has complied with the code provisions of the Code on Corporate Governance Practice (the "Code") as set out in the Appendix 14 to the Listing Rules during the six months ended 30 June 2008.

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 share options were granted during the period since adoption.

EMPLOYEE INCENTIVE SCHEME

The Company proposed to set up an employee incentive scheme ("Employee Incentive Scheme") for the benefit of the senior management and employees of the Company which excludes any connected persons of the Company. 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. Up to 30 June 2008, for the purpose of the

Employee Incentive Scheme, the Company had through its subsidiary purchased from the market a total of 49,386,000 shares of the Company. The total amount paid to acquire these shares during the period was about RMB288,450,000.

PURCHASE, SALE OR REDEMPTION OF LISTING SECURITIES

Save as disclosed under "Employee Incentive Scheme", during the six months ended 30 June 2008, neither the Company nor any of its subsidiaries had purchased, sold or redeemed any of the Company's listing securities.

INTERIM DIVIDEND

The Board resolved not to recommend an interim dividend for the six months ended 30 June 2008 (2007: Nil).

PUBLICATION OF INFORMATION ON THE WEBSITE ON THE STOCK EXCHANGE AND OF THE COMPANY

The interim results announcement is published on the Company's website (http://www.countrygarden.com.cn) and the Stock Exchange designated website (http://www.hkexnews.hk). The interim report will also be available at the Company's and the Stock Exchange's websites on/about 22 August 2008 and will be dispatched to shareholders of the Company thereafter.

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

Hong Kong, 12 August 2008

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

http://www.countrygarden.com.cn