

This press release does not constitute an offer to sell or the solicitation of an offer to buy any securities in the United States or any other jurisdiction in which such offer, solicitation or sale would be unlawful prior to registration or qualification under the securities laws of any such jurisdiction. No securities may be offered or sold in the United States absent registration or an applicable exemption from registration requirements. Any public offering of securities to be made in the United States will be made by means of a prospectus. Such prospectus will contain detailed information about the company making the offer and its management and financial statements. No public offer of securities is to be made by the Company in the United States.

[For immediate release]



Country Garden Announces Annual Results 2009

* * *

Financial Highlights

- Total revenue for the year ended 31 December 2009 amounted to approximately RMB17.59 billion, representing an increase of approximately 11.9% compared with the year 2008; recognised GFA reached approximately 3.489 million sq. m., representing an increase of approximately 62.5% compared with the year 2008.
- Profit attributable to equity owners amounted to approximately RMB2.08 billion (including the approximately RMB251 million fair value gain on equity swap), representing an increase of approximately 50.9% compared with the year 2008.
- Earnings per share amounted to approximately RMB12.73 cents, increased by approximately 50.7% compared with the year 2008.
- Proposed final dividend per share is RMB4.50 cents, increased by 50.0% compared with year 2008.

(30 March 2010 – Hong Kong) Country Garden Holdings Company Limited ("Country Garden" or the "Group", SEHK stock code: 2007), one of the leading integrated property developers in China, is pleased to announce the annual results for the year ended 31 December 2009.

During 2009, with the Chinese government's timely introduction of appropriate relaxation of its austerity measures, the Chinese economy gradually showed signs of stabilisation and recovery. The policies implemented in the fourth quarter of 2008 with an aim to stabilising the property market had also led to a recovery in transaction volume of the overall Chinese property market.

2009 is a year of experience consolidation and evaluation for Country Garden. It is also a year of tactical adjustment, reform and innovation for the Group. Coming through the global financial crisis, the further balancing of the regional economic development as well as the speeding up of the urbanisation process brought by the post-crisis structural adjustment of the Chinese economy, enabled Country Garden to further evaluate and prove the strong replication capability and sustainability of its business model. The Group's contracted sales in 2009 exceeded its full-year target of RMB19 billion by 22%, amounting to approximately RMB23.2 billion and contracted sales GFA totaled to approximately 4.75 million sq. m., posting an annual growth of about 32% and 40% respectively.

– cont'd –

In addition to the stable increase in sales for existing projects, the Group recorded contracted sales of approximately RMB3.5 billion from 14 newly launched projects during 2009. Among which, 9 projects are located in Guangdong Province. The Group's development model received extensive recognition from buyers of different regions. For instance, Country Garden – Hill Lake City in Hexian, situated in the "one-hour community circle" of West Nanjing, has received strong market response since its launch on the National Day of 2009. Nearly 1,000 units were sold within three months and the contracted sales amounted to approximately RMB800 million. Moreover, Shanwei Country Garden in Guangdong Province was launched in mid-November. The transaction amount in the first three days totaled over RMB550 million. Other new projects such as Country Garden – Lychee Park in Guangdong, Maoming Country Garden and Country Garden – Park Prime in Heshan were also well received by the market and recorded encouraging sales performance. The Group continued to achieve strong results in Guangdong Province, its home turf, in 2009, which accounted for 67% of the Group's total contracted sales.

As of 31 December 2009, the Group has 65 projects under different stages of development, including 36 in Guangdong. Attributable GFA with land use right certificates was approximately 40.43 million sq. m. (43% in Guangdong). Among which, the attributable GFA with construction permits was around 13.16 million sq. m.

Alongside the continuous 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 2009 amounted to approximately RMB314 million, representing a year-on-year growth of 14.5%. As at 31 December 2009, the Group operates 4 five-star hotels, 7 five-star standard hotels, as well as 1 four-star hotel with a total of 3,654 guest rooms. Most of the Group's hotels are located within the Group's property projects. The development of five-star standard hotels in the property projects will assist in sales promotion and enhance the ancillary value of the projects. The Group is currently in negotiation with a few high calibre international hotel management firms aiming at further unlocking the long-term value potential of the hotel business segment.

Due to the prevailing impact of the volatility of the macro economy in 2008, especially during the second half of 2008, and the development of new projects outside Guangdong Province, many of which are still in the initial stage, the Group's total revenue and gross profit for the year under review amounted to approximately RMB17.59 billion (2008: RMB15.71 billion) and approximately RMB4.65 billion (2008: RMB7.03 billion). Profit attributable to equity owners amounted to approximately RMB2.08 billion (2008: RMB1.38 billion), which included the fair value gain on equity swap of approximately RMB251 million. The Board of Directors recommends the payment of a final dividend of RMB4.5 cents per share for the year ended 31 December 2009 (2008: RMB3.0 cents per share).

The Group continues to strengthen various reform measures in 2009. By evaluating the changing demand of customers, the Group adopted more stringent quality control of its product and encouraged product design innovation. The Group believes that the launch of new products was well received by the market, which accelerated the cash inflow. The corporate initiatives on project management on the basis of strengthening execution and the establishment of an effective incentive mechanism has also shown positive effects, resulting in further enhancement in development efficiency for new projects. At the same time, the Group continues to adopt stringent cost control measures over development and operation. Cost of properties sold reduced by 12.7% to RMB3,533 per sq. m. in 2009 from RMB4,045 per sq. m. in 2008. Selling, general and administrative expenses also reduced by 25.1% to RMB1,180.2 million in 2009 from RMB1,574.9 million in 2008. With regard to financial management, the Group actively explored various funding channels in the capital market in addition to its strong bank financing capabilities with major commercial banks. In September 2009, the Group successfully issued senior notes with a 5-year tenure in an aggregate amount of USD375 million, which it believes reflected investors' confidence and comfort in the Group's business model and financial strength.

Major Business Review

Property development

Revenue generated from property development increased by 12.3% to approximately RMB16,544.9 million in 2009 from approximately RMB14,736.5 million in 2008; primarily attributable to a 62.5% increase in total gross floor area (“GFA”) sold to 3,488,784 sq. m. in 2009 from 2,147,592 sq. m. in 2008. The recognised average selling price of property decreased to RMB4,742 per sq. m. in 2009 from RMB6,861 per sq. m. in 2008, which indicated a 30.9% decrease. The recognised average selling price was relatively low in 2009 primarily because (i) most of the property sales revenue recognised in 2009 was attributable to sales contracts entered into in 2008 and the first quarter of 2009, when the PRC property market and accordingly, property prices were adversely affected by the global economic slowdown; while a significant portion of the property sales revenue recognised in 2008 was attributable to sales contracts entered into in 2007 when the PRC property market was in relatively better conditions, (ii) the proportion of recognised GFA in 2009 attributable to apartments, which generally have lower selling prices than standalone properties and townhouses, increased as compared with 2008; whereas a noticeable proportion of recognised GFA in 2009 attributable to standalone properties, which generally have higher prices, decreased as compared with 2008, (iii) the proportion of recognised GFA in 2009 attributable to “bare shell” properties, which generally have lower selling prices than decorated properties, increased as compared with 2008, and (iv) the proportion of recognised GFA in 2009 attributable to our projects outside Guangdong Province, where the property prices are generally lower than in Guangdong Province, increased as compared with 2008.

Property management

Revenue generated from property management increased by 19.1% to approximately RMB349.3 million in 2009 from approximately RMB293.3 million in 2008, primarily attributable to an increase in the cumulative GFA under management resulting from the construction completion and delivery of properties such as Country Garden Phoenix City, Gaoming Country Garden, Shenyang Country Garden and Heshan Country Garden in 2009.

Hotel operation

Revenue generated from hotel operation increased by 14.5% to approximately RMB314.3 million in 2009 from approximately RMB274.5 million in 2008, primarily attributable to the opening of the five-star rating standard Zhaoqing Country Garden Phoenix Hotel in February 2009, Xinhui Country Garden Phoenix Hotel in March 2009, Gaoming Country Garden Phoenix Hotel and Country Garden Phoenix Hot Spring Hotel in November 2009.

Cash, debt position and gearing ratio

The Group’s cash and bank deposits (including the restricted cash) amounted to approximately RMB8,424.0 million as at 31 December 2009 (2008: approximately RMB5,734.6 million). The Group had an aggregated debt as at 31 December 2009 of approximately RMB17,769.6 million, including borrowings of approximately RMB10,888.7 million, Convertible Bond of approximately RMB4,278.5 million, and Senior Notes of approximately RMB2,602.4 million. The net gearing ratio is measured by the net debt (total debt net of disposable cash and cash equivalent) over the total capital and reserves attributable to equity owners. As at 31 December 2009, the net gearing ratio was 53.3%.

During the year under review, the Group strategically increased its land bank with a focus on Guangdong Province. With the increased land acquisition in Guangdong in 2009, the Group’s new projects to be launched for pre-sale in 2010 are also expected to be mainly in this region. We are confident on the sales performance of these new projects. For example, Country Garden – Grand Garden, located in Zengcheng Guangzhou, was launched during the 2010 Lunar New Year. The initial launch of 439 units was completely sold out in the first two days at a transaction amount of approximately RMB560 million.

Mr. Cui Jianbo, President & Executive Director of Country Garden, said, "The Group not only achieved robust growth in Guangdong Province, its core market, but also expanded its scale of development for projects outside Guangdong Province. Sales from projects outside Guangdong increased from only 6% in 2006 to 33% in 2009. With the gradual delivery of these projects and the improvement in project environment and ancillary facilities, the awareness of Country Garden's brand will be further enhanced across these new regions. All these will help boost the revenue growth of these new projects, while laying a solid foundation for the long term development of the Group's project portfolio. Looking ahead, the Group will continue to replicate its successful business model into new high growth regions, so as to create value for the society and generate satisfactory returns to shareholders."

— End —

About Country Garden

Country Garden is one of China's leading integrated property developers. It has standardized operations with business comprising construction, installation, fitting, project management, property management, 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.

For further information, please contact:

Country Garden Holdings Company Limited

Johnson Murr

Head of Investor Relations

Tel: (86 757) 2660 0773

Fax: (86 757) 2660 9233

Email: johnsonmurr@countrygarden.com.cn

iPR Ogilvy Ltd.

Callis Lau/ Crystal Chan/ Christina Chung/ Beatrice Wong/ Nelson Lee

Tel: (852) 2136 6952/ 2169 0049/ 2136 6179/ 2136 6176/ 2136 6956

Fax: (852) 3170 6606

Email: callis.lau@iprogilvy.com/crystal.chan@iprogilvy.com/
christina.chung@iprogilvy.com/beatrice.wong@iprogilvy.com/
nelson.lee@iprogilvy.com